

SORAB S. ENGINEER & CO. (Regd.)
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Anup Engineering Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **The Anup Engineering Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Change 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 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) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 of the Ind AS financial statements 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 the 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

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preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 the Ind AS financial statements.

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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2016 and the transition date opening balance sheet as at 1st April, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, whose report for the year ended 31st March, 2016 and 31st March, 2015 dated 12th May, 2016 and 14th May, 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

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 (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity 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 Indian Accounting Standards prescribed under section 133 of the Act.

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- (e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its Ind AS financial position in its Ind AS financial statements - Refer Note 25 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 39 to the financial statements.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

Chokshi Shreyas B.
CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Ahmedabad
April 29, 2017

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF THE ANUP ENGINEERING LIMITED

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Independent Auditor's Report of even date,

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company
- (ii) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and the discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the Company, and the same have been properly dealt with in the books of account.
- (iii) The Company has not granted secured / unsecured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, requirements of clause (iii) of paragraph 3 of the order are not applicable.
- (iv) The Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the order are not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) The provisions of maintenance of cost records specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the order are not applicable.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value added tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no amounts payable as on March 31, 2017 on account of any dispute.

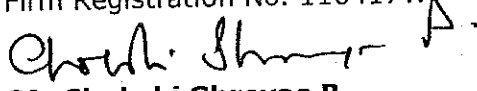
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- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.
- (ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. However, the term loans obtained during the year were, *prima facie*, applied by the Company for the purpose for which they were raised, other than temporary deployment pending application.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year under review. Consequently, requirements of Clause (xi) of paragraph 3 of the order are not applicable.
- (xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the order are not applicable.
- (xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.
- (xiv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the order are not applicable.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the nature of the business, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sorab S. Engineer & Co.**

Chartered Accountants

Firm Registration No. 110417W


CA. Chokshi Shreyas B.

Partner

Membership No. 100892

Ahmedabad

April 29, 2017

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF THE ANUP ENGINEERING 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 The Anup Engineering Limited ("the Company") as of March 31, 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 Act.

Auditors' Responsibility

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

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

S. S. Engineer & Co.

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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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

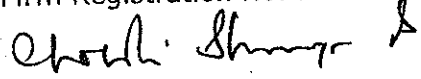
Inherent Limitations of Internal Financial Controls over Financial Reporting

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 March 31, 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 **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W


CA. Chokshi Shreyas B.
Partner
Membership No. 100892

Ahmedabad
April 29, 2017

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NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2017

1. Corporate Information

Incorporated in the year 1962 by conversion of M/s. Hind Laboratories under Chapter IX of the Companies Act, 1956, M/s. The Anup Engineering Ltd. (Anup) is engaged in manufacturing and fabrication of process equipments required for Chemicals, Petrochemicals, Pharmaceuticals, Fertilizers, Drugs and other allied industries, The Company is a member of Lalbhai Group of Companies, prominent player in Textile and Chemical Industry.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 29, 2017.

2. Statement of Compliance and Basis of Preparation

2.1 Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the 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 with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provision of the Act. These financial statements for the year ended March 31, 2017 are the first financial statements that the Company has prepared in accordance with Ind AS. Refer to Note 36 for information of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet, Statement of profit & loss and Statement of cash flow.

2.2 Historical Cost Convention

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

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value;
- Value in Use

2.3 Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest rupee as per the requirement of Schedule III.

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3. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented, including the preparation of the opening Ind AS Balance Sheet as at April 1, 2015 being the date of transition to Ind AS:

3.1. Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

Operating cycle

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

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

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3.3. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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

3.4. Fair value measurement

The Company measures financial instruments such as derivatives and Investments at fair value at the end of each reporting period.

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. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by the Company.

The fair value of an asset or a 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.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

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 the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties

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- Financial instruments (including those carried at amortised cost)

3.5. Property, plant and equipment

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

The Company adjusts exchange differences arising on translation difference / settlement of long-term foreign currency monetary items outstanding as at March 31, 2016, pertaining to the acquisition of a depreciable asset, to the cost of asset and depreciates the same over the remaining life of the asset.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Derecognition

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

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery other than Lab equipment and Leasehold Improvements.

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.

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

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.

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Transition to Ind AS

On transition to Ind AS, the Company has elected to measure all items of property, plant and equipment at fair value as at April 1, 2015 and used that fair value as deemed cost of the property, plant and equipment.

3.6. Borrowing cost

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

3.7. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

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

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

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

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

Amortisation

Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period of 5 years.

Transition to Ind AS

Items of Intangible assets are carried at cost eligible under Ind AS 38 less accumulated amortisation and accumulated impairment losses, if any.

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3.8. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

All other inventories of stores, consumables, project material at site are valued at cost or net realisable value, whichever is less. The stock of waste is valued at net realisable value. Excise duty wherever applicable is provided on finished goods lying within the factory and bonded warehouse at the end of the year. Goods in transit and in Bonded Warehouse stocks are stated at actual cost up to the date of the Balance Sheet.

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

3.9. Impairment of non-financial assets

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

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 assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.10. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with dispatch. Revenue from export sales are recognized on shipment basis. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable including excise duty, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

Revenue from job work services is recognized based on the services rendered in accordance with the terms of contracts.

Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call

and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

3.11. Financial instruments – initial recognition and subsequent measurement

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

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets, except investment in subsidiaries and joint ventures, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement of financial assets

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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

• **Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

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

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

- **Financial assets at fair value through profit or loss**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

- **Equity instruments:**

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

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire,
or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third

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party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Reclassification of financial assets

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

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

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

(v) 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:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

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

- 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
- 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
- All lease receivables resulting from transactions within the scope of Ind AS 17

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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.

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:

- 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
- 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.

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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

(i) Initial recognition and measurement of financial liabilities

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

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

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

(ii) Subsequent measurement of financial liabilities

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

• **Financial liabilities at fair value through profit or loss**

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

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

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

• **Loans and Borrowings**

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

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

This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Offsetting of financial instruments

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

3.12. 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.

3.13. Export incentives

Export Incentive

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.

3.14. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

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

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Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

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

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

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

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

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

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

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.15. Employee Benefits

a) Short Term Employee 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.

b) Post-Employment Benefits

(i) Defined benefit plan

The employee's gratuity fund scheme is 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:

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

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

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

c) 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.

3.16. Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.17. Dividend distribution

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

3.18. Provisions

General

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

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

Decommissioning liability

The Company records a provision for decommissioning costs of a manufacturing facility for the production of its goods. Decommissioning costs are provided at the present value of expected costs to settle the obligation, to the extent ascertainable, using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

3.19. Non-current assets held for sale/ distribution to owners and discontinued operations

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

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

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

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

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Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. 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 28.

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 judgement is required in establishing fair values. Judgements include considerations of inputs

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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. The carrying amount of allowance for doubtful debts is Rs. Nil (March 31, 2016 : Rs. Nil and April 1, 2015 : Rs. Nil).

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 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 24.

Intangible assets

Refer Note 3.7 for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in Note 6.

Property, plant and equipment

Refer Note 3.5 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

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The Anup Engineering Limited
Balance Sheet as at March 31, 2017

Particulars	Notes	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 01, 2015 Rupees
ASSETS				
I. Non-current assets				
(a) Property, plant and equipment	5	821,256,059	813,273,896	821,016,135
(b) Intangible assets	6	2,474,925	2,273,097	2,212,205
(c) Financial assets				
(i) Loans	7	500,197,260		
(ii) Other financial assets	7	2,027,700	2,082,200	2,082,200
(d) Other non-current assets	8			
Total non-current assets		<u>1,325,955,944</u>	<u>817,629,193</u>	<u>825,310,540</u>
II. Current assets				
(a) Inventories	9	218,395,565	137,608,193	156,830,510
(b) Financial assets				
(i) Trade receivables	7	517,105,548	446,225,558	361,135,390
(ii) Cash and cash equivalents	7	377,936	122,145	68,974,100
(iii) Bank balance other than (iii) above	7	16,539,445	44,905,558	28,528,270
(iv) Loans	7	61,237,065	460,116,260	
(v) Others financial assets	7	25,000		
(c) Current tax assets (net)	10		715,852	
(d) Other current assets	8	50,819,685	29,551,251	33,088,988
Total current assets		<u>864,500,244</u>	<u>1,119,244,817</u>	<u>648,557,259</u>
Total Assets		<u>2,190,456,188</u>	<u>1,936,874,010</u>	<u>1,473,867,799</u>
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	136,000,000	34,000,000	34,000,000
Other equity	12	1,550,645,075	1,334,619,789	1,100,365,388
Securities premium account	12		1,920	1,920
General reserve	12		7,001,075	7,001,075
Retained earnings	12	1,550,645,075	1,327,616,794	1,093,362,393
Total equity		<u>1,686,645,075</u>	<u>1,368,619,789</u>	<u>1,134,365,388</u>
LIABILITIES				
I. Non-current liabilities				
(a) Financial liabilities				318,908
(i) Borrowings	13			3,483,721
(b) Long-term provisions	14	6,036,585	5,087,163	178,968,010
(c) Deferred tax liabilities (net)	24	174,634,763	177,093,864	182,770,639
Total non-current liabilities		<u>180,671,348</u>	<u>182,181,027</u>	<u>182,770,639</u>
II. Current liabilities				
(a) Financial liabilities				8,502,509
(i) Borrowings	13	38,992,960	161,621,218	77,231,549
(ii) Trade payables	13	148,570,419	149,270,089	1,547,485
(iii) Other financial liabilities	13	1,601,181	1,398,958	66,698,745
(b) Other current liabilities	15	128,958,583	72,673,361	98,871
(c) Short-term provisions	14	2,062,568	1,109,568	2,652,613
(e) Current tax liabilities (net)	10	2,954,054		
Total current liabilities		<u>323,139,765</u>	<u>386,073,194</u>	<u>156,731,772</u>
Total equity and liabilities		<u>2,190,456,188</u>	<u>1,936,874,010</u>	<u>1,473,867,799</u>

Summary of significant accounting policies

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

As per our report of even date
For, Sorab S. Engineer & Co.
Chartered Accountants
Firm's Registration No. 110417W
CA. Chokshi Shreyas B.
Partner
Membership No. 100892
Place : Ahmedabad
Date : April 29, 2017

For and on behalf of the board of directors of
The Anup Engineering Limited

Chairman
Director
Chief Financial Officer
Company Secretary

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The Anup Engineering Limited
Statement of profit and loss for the year ended March 31, 2017

Particulars	Notes	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Income			
Revenue from operations			
Sale of Products	16	1,737,490,584	1,418,382,737
Sale of Services	16	39,970,550	10,301,664
Operating Income	16	16,088,690	16,620,703
Revenue from operations		<u>1,793,549,824</u>	<u>1,445,305,104</u>
Other income	17	60,814,980	30,501,330
Total income (I)		<u><u>1,854,364,804</u></u>	<u><u>1,475,806,434</u></u>
Expenses			
Cost of raw materials and accessories consumed	18	745,024,555	583,773,872
Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(25,824,725)	16,268,573
Employee benefits expense	20	103,352,762	90,050,119
Finance costs	21	11,715,754	1,729,981
Depreciation and amortisation expense	22	33,806,322	31,360,148
Other expenses	23	495,874,666	386,427,351
Total expenses (II)		<u><u>1,363,949,334</u></u>	<u><u>1,109,610,044</u></u>
Profit/ (loss) before exceptional items and tax (III=I-II)		<u>490,415,470</u>	<u>366,196,390</u>
Exceptional items [Income / (Expense)]		<u>490,415,470</u>	<u>366,196,390</u>
Profit before exceptional items and tax (III)=(I-II)		<u>490,415,470</u>	<u>366,196,390</u>
Exceptional items (IV)		<u>490,415,470</u>	<u>366,196,390</u>
Profit before tax (V) = (III-IV)		<u>490,415,470</u>	<u>366,196,390</u>
Tax expense			
Current tax	24	174,500,000	132,500,000
MAT credit utilised	24	(54,790)	1,197,066
(Excess)/short provision related to earlier years	24	(2,319,259)	(1,832,939)
Deferred tax		<u>172,125,951</u>	<u>131,864,127</u>
Total tax expense (VI)		<u>172,125,951</u>	<u>131,864,127</u>
Profit for the period (VII) = (V-VI)		<u><u>318,289,519</u></u>	<u><u>234,332,263</u></u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit	12	(404,075)	(119,069)
Income tax effect	24	139,842	41,207
		<u>(264,233)</u>	<u>(77,862)</u>
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		<u>(264,233)</u>	<u>(77,862)</u>
Total other comprehensive income for the period, net of tax (VIII)		<u><u>(264,233)</u></u>	<u><u>(77,862)</u></u>
Total comprehensive income for the period, net of tax (VII+VIII)		<u><u>318,025,286</u></u>	<u><u>234,254,401</u></u>
Earning per equity share			
Basic	30	23.40	17.23
Diluted	30	23.40	17.23

Summary of significant accounting policies

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

As per our report of even date
For, Sorab S. Engineer & Co.
Chartered Accountants
Firm's Registration No. 110417W

Chokshi Shreyas B.
CA. Chokshi Shreyas B.
Partner
Membership No. 100892
Place : Ahmedabad
Date : April 29, 2017

For and on behalf of the board of directors of
The Anup Engineering Limited

Vijay Laloke
Chairman
Director
K. K. K.
Chief Financial Officer

P. P. P.
Company Secretary

The Anup Engineering Limited
Statement of cash flows for the year ended March 31, 2017

Amount in Rs.

Particulars	Year ended	
	March 31, 2017	March 31, 2016
A Operating activities		
Profit Before taxation	490,415,470	366,196,390
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation /Amortization	33,806,322	31,360,148
Interest Income	(58,221,388)	(24,654,577)
Interest and Other Borrowing Cost	11,715,754	1,729,981
Sundry Debit Written off	12,599,246	219,422
Sundry Credit Balances Appropriated	(1,339,912)	(2,870,774)
(Profit)/Loss on Sale of Tangible/Intangible assets	95,275	248,675
	(1,344,703)	6,032,875
	<u>489,070,767</u>	<u>372,229,265</u>
Operating Profit before Working Capital Changes		
Working Capital Changes:		
Changes in Inventories	(80,787,372)	19,222,317
Changes in trade payables	640,242	74,909,314
Changes in other current liabilities	56,285,222	5,974,616
Changes in other financial liabilities	202,223	(148,527)
Changes in provisions	1,498,347	2,495,070
Changes in trade receivables	(83,479,236)	(85,309,590)
Changes in other current assets	(21,268,434)	3,537,738
Changes in other financial assets	29,500	-
Changes in Other Bank Balances	28,287,843	(16,455,558)
	(98,591,665)	4,225,380
Net Changes in Working Capital	<u>390,479,102</u>	<u>376,454,645</u>
Cash Generated from Operations	<u>(170,775,304)</u>	<u>(137,065,531)</u>
Direct Taxes paid (Net of Income Tax refund)	219,703,798	239,389,114
Net Cash from Operating Activities		
B Cash Flow from Investing Activities		
Purchase of tangible/intangible assets	(42,897,832)	(24,085,462)
Sale of tangible assets	812,244	157,986
Changes in Loans given	(101,318,065)	(460,116,260)
Interest Income	58,221,388	24,654,577
Net cash flow from Investing Activities	<u>(85,182,265)</u>	<u>(459,389,159)</u>
C Cash Flow from Financing Activities		
Changes in long term Borrowings		(318,908)
Changes in short term borrowings	(122,628,258)	153,118,709
Interest and Other Borrowing Cost Paid	(11,715,754)	(1,729,981)
Net Cash flow from Financing Activities	<u>(134,344,012)</u>	<u>151,069,820</u>
Net Increase/(Decrease) in cash & cash equivalents	<u>177,521</u>	<u>(68,930,225)</u>
Cash & Cash equivalent at the beginning of the period	200,415	69,052,370
Cash & Cash equivalent at the end of the period	377,936	122,145

Particulars	Year ended	
	March 31, 2017	March 31, 2016
	Rupees	Rupees
Cash and cash equivalents comprise of: (Note 7(c))		
Cash on Hand	67,756	64,045
Foreign Currency on Hand	74,797	58,100
Balances with Banks*	235,383	-
Cash and cash equivalents	<u>377,936</u>	<u>122,145</u>
Effect of Exchange Rate Changes		
Cash and cash equivalents as restated	<u>377,936</u>	<u>122,145</u>

As per our report of even date attached
For, Sorab S. Engineer & Co.
Firm Registration No. 110417W
Chartered Accountants
CA. Chokshi Shreyas B.
Partner
Membership No. 100892

For and on behalf of the board of directors of
The Anup Engineering Limited

Sanjay Lalbhe
Chairman

K. K. K.
Chief Financial Officer

Director

P. S. S.
Company Secretary

Place: Ahmedabad
Date : April 29, 2017

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The Anup Engineering Limited
Statement of changes in Equity for the year ended March 31, 2017

A. Equity share capital

Balance	Amount
	Note 11
As at April 1, 2015	34,000,000
Issue of Equity Share capital	-
As at March 31, 2016	34,000,000
Issue of Equity Share capital	-
Bonus Share capital (3:1)	102,000,000
As at March 31, 2017	136,000,000

B. Other equity

Attributable to the equity holders of the parent

Particulars	Reserves and Surplus			Total equity
	Securities premium	General Reserve	Retained Earnings	
	Note 12	Note 12	Note 12	
Balance as at April 1, 2015	1,920	7,001,075	1,093,362,393	1,100,365,388
Profit for the period	-	-	234,332,263	234,332,263
Other comprehensive income for the year	-	-	(77,862)	(77,862)
Total Comprehensive income for the year	-	-	234,254,401	234,254,401
Any other movement (edit / modify based on requirement)	-	-	-	-
Balance as at March 31, 2016	1,920	7,001,075	1,327,616,794	1,334,619,789
Balance as at April 1, 2016	1,920	7,001,075	1,327,616,794	1,334,619,789
Profit for the period	-	-	318,289,519	318,289,519
Other comprehensive income for the year	-	-	(264,233)	(264,233)
Total Comprehensive income for the year	-	-	318,025,286	318,025,286
Utilised for Bonus Issue	(1,920)	(7,001,075)	(94,997,005)	(102,000,000)
Any other movement (edit / modify based on requirement)	-	-	-	-
Balance as at March 31, 2017	-	-	1,550,645,075	1,550,645,075

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

As per our report of even date

For, **Sorab S. Engineer & Co.**
 Chartered Accountants
 Firm's Registration No. 110417W

Chokshi Shreyas B.
CA. Chokshi Shreyas B.
 Partner
 Membership No. 100892
 Place : Ahmedabad
 Date : April 29, 2017

For and on behalf of the Board of Directors of
 The Anup Engineering Limited

Vamey Lal
 Chairman

Director

N. K. K.
 Chief Financial Officer

P. S.
 Company Secretary

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The Anup Engineering Limited
Notes to the Financial Statements

Note 5 : Property, plant and equipment

Cost	In Rs.						
	Freehold land	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computer, server & network
572,208	491,759,100	124,406,287	194,746,893	3,665,633	3,886,851	1,159,492	819,671
-	-	-	15,831,165	1,127,233	3,510,355	1,211,682	531,093
-	-	-	-	-	1,009,224	-	-
572,208	491,759,100	124,406,287	210,578,058	4,792,866	6,387,982	2,371,174	1,350,764
-	-	-	29,686,401	2,091,146	7,485,166	1,584,510	580,609
-	-	-	-	689,188	363,372	121,698	-
572,208	491,759,100	124,406,287	240,264,459	6,194,824	13,509,776	3,833,986	1,931,373
Depreciation and Impairment							
As at April 1, 2015	-	-	-	-	-	-	-
Depreciation for the year	1,722,249	3,404,722	22,050,620	712,006	820,661	457,293	379,555
Deductions	-	-	-	-	602,563	-	602,563
As at March 31, 2016	1,722,249	3,404,722	22,050,620	712,006	218,098	457,293	379,555
Depreciation for the year	1,722,249	3,403,132	24,419,168	674,092	1,309,947	602,195	407,367
Deductions	-	-	-	49,207	169,120	48,412	-
As at March 31, 2017	3,444,498	6,807,854	46,469,788	1,336,891	1,358,925	1,011,076	786,922
Net Block							
As at March 31, 2017	488,314,602	117,598,433	193,794,671	4,857,933	12,150,851	2,822,910	1,144,451
As at March 31, 2016	490,036,851	121,001,565	188,527,438	4,080,860	6,169,884	1,913,881	971,209
As at April 1, 2015	491,759,100	124,406,287	194,746,893	3,665,633	3,886,851	1,159,492	819,671

Notes :

1. In accordance with the Ind AS 36 on 'Impairment of Assets', the Company has reassessed its Property, plant and equipment and is of the view that no impairment/reversal is considered to be necessary in view of its expected realisable value.

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The Anup Engineering Limited
Notes to the Financial Statements

Note 6 : Intangible assets

	In Rs.		
	Computer Software	Patent & Technical Knowhow	Total
Cost			
As at April 1, 2015	1,075,918	1,136,287	2,212,205
Additions	1,873,934	-	1,873,934
Deductions	-	-	-
As at March 31, 2016	2,949,852	1,136,287	4,086,139
Additions	1,470,000	-	1,470,000
Deductions	-	-	-
As at March 31, 2017	4,419,852	1,136,287	5,556,139
Amortisation and Impairment			
As at April 1, 2015	-	-	-
Amortisation for the Year	1,399,846	413,196	1,813,042
Deductions	-	-	-
As at March 31, 2016	1,399,846	413,196	1,813,042
Amortisation for the Year	854,976	413,196	1,268,172
Deductions	-	-	-
As at March 31, 2017	2,254,822	826,392	3,081,214
Net Block			
As at March 31, 2017	2,165,030	309,895	2,474,925
As at March 31, 2016	1,550,006	723,091	2,273,097
As at April 1, 2015	1,075,918	1,136,287	2,212,205

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Note 7 : Financial assets

7 (a) Trade receivables

Particulars	As at March 31, 2017 In Rs.	As at March 31, 2016 In Rs.	As at April 1, 2015 In Rs.
Current			
Unsecured, considered good	517,105,548	446,225,558	361,135,390
Less : Allowance for doubtful debts	-	-	-
	<u>517,105,548</u>	<u>446,225,558</u>	<u>361,135,390</u>
Total Trade and other receivables	517,105,548	446,225,558	361,135,390

7 (b) Loans

Particulars	As at March 31, 2017 In Rs.	As at March 31, 2016 In Rs.	As at April 1, 2015 In Rs.
Non-current			
Loans to related parties	500,197,260	-	-
	<u>500,197,260</u>	<u>-</u>	<u>-</u>
Current			
Unsecured considered good			
Loans to related parties	61,237,065	460,116,260	-
	<u>61,237,065</u>	<u>460,116,260</u>	<u>-</u>
Total Loans	561,434,325	460,116,260	-

For terms & condition of loans to related party, refer Note 29.

7 (c) Cash and cash equivalent

Particulars	As at March 31, 2017 In Rs.	As at March 31, 2016 In Rs.	As at April 1, 2015 In Rs.
Balance with Bank	235,383	-	68,762,436
Current accounts and debit balance in cash credit accounts	67,756	64,045	196,472
Cash on hand	74,797	58,100	15,192
Foreign Currency on Hand	-	-	-
	<u>377,936</u>	<u>122,145</u>	<u>68,974,100</u>
Total cash and cash equivalents	377,936	122,145	68,974,100

7 (d) Other bank balance

Particulars	As at March 31, 2017 In Rs.	As at March 31, 2016 In Rs.	As at April 1, 2015 In Rs.
Unpaid dividend accounts	78,270	78,270	78,270
Held as Margin Money*	16,461,175	44,827,288	28,450,000
	<u>16,539,445</u>	<u>44,905,558</u>	<u>28,528,270</u>
Total other bank balances	16,539,445	44,905,558	28,528,270

* Under lien with bank as Security for Guarantee Facility

7 (e) Other financial assets

Particulars	As at March 31, 2017 In Rs.	As at March 31, 2016 In Rs.	As at April 1, 2015 In Rs.
Non-current			
Security deposits	2,027,700	2,082,200	2,082,200
	<u>2,027,700</u>	<u>2,082,200</u>	<u>2,082,200</u>
Current			
Security deposits	25,000	-	-
	<u>25,000</u>	<u>-</u>	<u>-</u>
Total other financial assets	2,052,700	2,082,200	2,082,200

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Particulars	In Rs.		
	FVTPL	FVOCI	Amortised cost
March 31, 2017			
Trade receivables	-	-	517,105,548
Loans	-	-	561,434,325
Cash & cash equivalents	-	-	377,936
Other bank balances	-	-	16,539,445
other financial assets	-	-	2,052,700
Total Financial assets			1,097,509,954
March 31, 2016			
Trade receivables	-	-	446,225,558
Loans	-	-	460,116,260
Cash & cash equivalents	-	-	122,145
Other bank balances	-	-	44,905,558
other financial assets	-	-	2,082,200
Total Financial assets			953,451,721
April 1, 2015			
Trade receivables	-	-	361,135,390
Cash & cash equivalents	-	-	68,974,100
Other bank balances	-	-	28,528,270
other financial assets	-	-	2,082,200
Total Financial assets			460,719,961

For Financial instruments risk management objectives and policies, refer Note 34.
Fair value disclosures for financial assets and liabilities are in Note 32.

Note 8 : Other current / non-current assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Current			
Advance to suppliers	24,606,566	8,553,189	8,445,102
Balance with collectorate of central excise and customs	10,355,004	3,843,072	13,831,003
Sales tax / VAT / service tax receivable (net)	278,030	4,301,833	3,000
Export incentive receivable	7,007,680	3,816,813	3,483,039
Prepaid expenses	2,518,289	2,407,942	2,682,976
Other Current Asset	6,054,116	6,628,402	4,643,868
Total	50,819,685	29,551,251	33,088,988

Note 9 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Raw materials	87,076,765	36,664,841	42,281,409
Work-in-progress	113,543,269	87,718,544	103,987,117
Finished goods	727,362	727,362	727,362
Stores and spares	17,048,169	12,497,446	9,834,622
Total	218,395,565	137,608,193	156,830,510

Note 10 : Current Tax Assets/(Liability)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Current Tax Assets	-	715,852	-
Current Tax Liability	(2,954,054)	-	(2,652,613)
Total	(2,954,054)	715,852	(2,652,613)

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The Anup Engineering Limited
Notes to the Financial Statements

Note 11 : Equity share capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	In Rs.	No. of shares	In Rs.	No. of shares	In Rs.
Authorised share capital Equity shares of Rs.10 each	15,000,000	150,000,000	500,000	50,000,000	500,000	50,000,000
Issued and subscribed share capital Equity shares of Rs.10 each	13,600,000	136,000,000	340,000	34,000,000	340,000	34,000,000
Subscribed and fully paid up Equity shares of Rs.10 each	13,600,000	136,000,000	340,000	34,000,000	340,000	34,000,000
Total	13,600,000	136,000,000	340,000	34,000,000	340,000	34,000,000

11.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	In Rs.	No. of shares	In Rs.	No. of shares	In Rs.
At the beginning of the period	3,400,000	34,000,000	340,000	34,000,000	340,000	34,000,000
Add : Bonus shares issued during the year	10,200,000	102,000,000	-	-	-	-
Outstanding at the end of the period	13,600,000	136,000,000	340,000	34,000,000	340,000	34,000,000

11.2. Aggregate number of shares allotted as fully paid-up Bonus Shares (During 5 years immediately preceeding March 31, 2017)

During the year, the Company allotted 1,02,00,000 Bonus Equity Shares of Rs. 10 each as fully paid-up.

11.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of the Shareholder	As at March 31, 2017		As at March 31, 2016		As at 01 APR 2015	
	No. of shares	% of shareholding	No. of shares	% of shareholding	No. of shares	% of shareholding
Arvind limited- Holding Company	12,720,640	93.53%	315,912	92.92%	300,000	88.24%

11.4 Objective, policy and procedure of capital management, refer Note 35

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The Anup Engineering Limited
Notes to the Financial Statements

Note 12 : Other Equity

Balance	As at March 31, 2017		As at March 31, 2016	
	In Rs.		In Rs.	
Note 12.1 Reserves & Surplus				
General reserve				
Balance as per last financial statements		7,001,075		7,001,075
less: Utilized Bonus issue		7,001,075		
Balance at the end of the year				7,001,075
Securities premium account				
Balance as per last financial statements		1,920		1,920
less: Utilized Bonus issue		1,920		
Balance at the end of the year				1,920
Surplus in statement of profit and loss				
Balance as per last financial statements		1,327,616,794		1,093,362,393
Add: profit for the year		318,289,519		234,332,263
Add / (Less): OCI for the year		(264,233)		(77,862)
		1,645,642,080		1,327,616,794
less: Utilized Bonus issue		(94,997,005)		-
Balance at the end of the year		1,550,645,075		1,327,616,794
Total reserves & surplus		1,550,645,075		1,334,619,789
Total Other equity		1,550,645,075		1,341,622,784

Note 13 : Financial liabilities

13 (a) : Long-term Borrowings

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	In Rs.		In Rs.		In Rs.	
Long-term Borrowings						
Non-current portion						
Secured						
Term loan from Banks						318,908
						318,908
Current maturities						
Secured						
Term loan from Banks						76,353
						76,353
Total long-term borrowings						395,261
Short-term Borrowings (refer note A below)						
Secured						
Working Capital Loans repayable on demand from Banks	30,490,451		153,118,709			
Unsecured						
Intercorporate Deposits From Related Parties	8,502,509		8,502,509			8,502,509
Total short-term borrowings	38,992,960		161,621,218			8,502,509
Total borrowings	38,992,960		161,621,218			8,897,770

Nature of security:

A .Cash Credit and Other Facilities from Banks

i. First charge over entire stocks, receivables and other current assets and second charge over entire fixed assets of the Company both present and future.

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The Anup Engineering Limited
Notes to the Financial Statements

13 (b): Financial liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Current			
Other trade payable (Refer note below)	148,570,419	149,270,089	77,231,549
	148,570,419	149,270,089	77,231,549
Total	148,570,419	149,270,089	77,231,549

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

b The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;

(b) Interest paid during the year;

(c) Amount of payment made to the supplier beyond the appointed day during accounting year;

(d) Interest due and payable for the period of delay in making payment;

(e) Interest accrued and unpaid at the end of the accounting year; and

(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise. have not been given.

The Company is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

13 (c): Other financial liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Current			76,353
Current maturity of long term borrowings	-	-	1,205,092
Payable to employees	767,073	788,152	100,000
Deposits from customers and others	704,706	400,000	78,270
Unpaid dividends	78,270	78,270	87,770
Other financial liabilities	51,132	132,536	-
Total	1,601,181	1,398,958	1,547,485

13 (d): Financial liabilities by category

Particulars	In Rs.		
	FVTPL	FVOCI	Amortised cost
March 31, 2017			38,992,960
Borrowings	-	-	148,570,419
Trade payable	-	-	1,601,181
Other financial liabilities	-	-	189,164,560
Total Financial liabilities			
March 31, 2016			161,621,218
Borrowings	-	-	149,270,089
Trade payable	-	-	1,398,958
Other financial liabilities	-	-	312,290,265
Total Financial liabilities			
April 1, 2015			8,821,417
Borrowings	-	-	77,231,549
Trade payable	-	-	1,547,485
Other financial liabilities	-	-	87,600,451
Total Financial liabilities			

For Financial instruments risk management objectives and policies, refer Note 34.

Fair value disclosures for financial assets and liabilities are in Note 32 and fair value hierarchy disclosures for investment are in Note 33.

Note 14: Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Long-term			
Provision for employee benefits (refer Note 28)			3,483,721
Provision for leave encashment	6,036,585	5,087,163	3,483,721
	6,036,585	5,087,163	
Short-term			
Provision for employee benefits (refer Note 28)			98,871
Provision for leave encashment	1,700,096	1,109,568	
Provision for gratuity	362,472	-	
	2,062,568	1,109,568	98,871
Total	8,099,153	6,196,731	3,582,592

Note 15: Other current / Non-current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.
Current			
Advance from customers	123,210,710	70,969,340	60,614,543
Statutory dues including provident fund and tax deducted at source	5,747,874	1,704,021	6,084,202
Total	128,958,583	72,673,361	66,698,745

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The Anup Engineering Limited
Notes to the Financial Statements

Note 16 : Revenue from operations

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Sale of products	1,737,490,584	1,418,382,737
Sale of services	39,970,550	10,301,664
Operating income		
Waste sale	11,191,339	10,653,862
Export incentives	4,133,686	4,006,391
Testing Analysis Income	763,665	1,960,450
	<u>16,088,690</u>	<u>16,620,703</u>
Total	1,793,549,824	1,445,305,104

Note 17 : Other income

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Interest income	58,221,388	24,654,577
Sundry credit balances appropriated	1,339,912	2,870,774
Provision no longer required	692,662	206,917
Miscellaneous income	6,963	105,638
Exchange Rate Diff (net)	554,054	2,663,424
Total	60,814,980	30,501,330

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The Anup Engineering Limited
Notes to the Financial Statements
Note 18 : Cost of raw materials and components consumed

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Stock at the beginning of the year	36,664,841	42,281,409
Add : Purchases	795,436,479	578,157,304
	832,101,320	620,438,713
Less : Inventory at the end of the year	87,076,765	36,664,841
Raw materials and components consumed	745,024,555	583,773,872
Total	745,024,555	583,773,872

Note 19 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Stock at the end of the year		
Finished goods	727,362	727,362
Work-in-Progress	113,543,269	87,718,544
	114,270,631	88,445,906
Stock at the beginning of the year		
Finished goods	727,362	727,362
Work-in-Progress	87,718,544	103,987,117
	88,445,906	104,714,479
(Increase) / Decrease in stocks	(25,824,725)	16,268,573
Total	(25,824,725)	16,268,573

Note 20 : Employee benefits expense

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Salaries, wages, gratuity, bonus, commission, etc. (Refer Note 28)	95,520,261	82,562,478
Contribution to provident and other funds	4,662,906	4,062,566
Welfare and training expenses	3,169,595	3,425,075
Total	103,352,762	90,050,119

Note 21 : Finance costs

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Interest expense - Loans	8,931,024	256,513
Interest expense - others	365,507	48,203
Other finance cost	2,419,223	1,425,265
Total	11,715,754	1,729,981

Note 22 : Depreciation and amortization expense

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Depreciation on Tangible assets (Refer Note 5)	32,538,150	29,547,106
Amortization on Intangible assets (Refer Note 6)	1,268,172	1,813,042
Total	33,806,322	31,360,148

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Handwritten initials

The Anup Engineering Limited
Notes to the Financial Statements
Note 23 : Other expenses

Particulars	2016-17 In Rs.	2015-16 In Rs.
Power and fuel	14,770,436	12,091,230
Stores consumed	38,584,221	32,749,011
Insurance	1,001,420	685,084
Printing, stationery & communication	2,353,229	2,203,033
Rent	957,787	1,392,601
Rates and taxes	1,113,646	1,905,480
Repairs :		
To Building	9,422,600	7,320,677
To Machineries (including spares consumption)	23,585,365	17,074,724
To others	3,882,709	4,644,055
Freight, insurance & clearing charge	25,280,420	14,545,998
Excise duty expense	147,898,906	108,113,948
Legal & Professional charges	4,350,315	1,514,888
Interest on Income tax	1,786,489	1,650,910
Conveyance & Travelling expense	3,418,021	4,540,807
Director's sitting fees	165,316	95,138
Job work charges	163,366,748	136,235,439
Sundry debits written off	12,599,246	219,422
Auditor's remuneration	697,890	863,980
Bank charges	8,011,727	10,052,646
Spend on CSR activities	5,562,560	3,500,000
Loss on assets sold, demolished, discarded and scrapped	95,275	248,675
Miscellaneous expenses	7,965,461	6,251,034
Postage & Courier Charges	254,097	147,753
Computer Expenses	907,112	886,587
Drawing & Drafting Charges	1,399,218	772,501
Security Charges	2,401,513	1,652,174
Retainership Fees	3,936,763	3,474,900
Inspection Fees	8,937,883	3,127,950
Royalty	1,168,293	8,466,706
Total	495,874,666	386,427,351

Payment to Auditors (Net of service tax)

Particulars	2016-17 In Rs.	2015-16 In Rs.
Payment to Auditors as		
Auditors	450,000	415,000
For tax audit	150,000	80,000
For Other certification work		295,000
For reimbursement of expenses	97,890	73,980
Total	697,890	863,980

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Note 24 : Income tax

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

Particulars	2016-17	2015-16
	In Rs.	In Rs.
Statement of Profit and Loss		
Current tax		
Current income tax	174,500,000	132,500,000
Excess/Short Provision related to earlier year	(54,790)	1,197,066
Deferred tax		
Deferred tax expense	(2,319,259)	(1,832,939)
Mat credit entitlement		
Income tax expense reported in the statement of profit and loss	172,125,951	131,864,127

Particulars	2016-17	2015-16
	In Rs.	In Rs.
OCI section		
Statement to Other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year	(139,842)	(41,207)
Net loss/(gain) on actuarial gains and losses		
Net gains / (loss) on hedging instruments in a cash flow hedge	(139,842)	(41,207)
Deferred tax charged to OCI	(139,842)	(41,207)

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

Particulars	2016-17	2015-16
	In Rs.	In Rs.
A) Current tax		
Accounting profit before tax from continuing operations	490,415,471	366,196,390
Tax @ 34.608% (March 31, 2016: 34.608%)	169,722,986	126,733,247
Adjustment	1,229,264	303,011
Other non-deductible expenses	1,033,859	4,786,662
Other adjustments		
At the effective income tax rate of 35.07% (March 31, 2016 :36%)	171,986,109	131,822,920

B) Deferred tax

Particulars	Balance Sheet			Statement of Profit and Loss	
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Accelerated depreciation for tax purposes	(31,868,351)	(31,272,368)	(29,958,964)	595,983	1,313,403
Impact of fair valuation of Assets	(145,558,496)	(148,066,358)	(150,267,759)	(2,507,862)	(2,201,401)
Expenditure allowable on payment basis	2,792,084	2,244,862	1,258,713	(547,222)	(986,148)
Others					
Deferred tax expense/(income)	(174,634,763)	(177,093,864)	(178,968,010)	(2,459,101)	(1,874,146)
Net deferred tax assets/(liabilities)	(174,634,763)	(177,093,864)	(178,968,010)		(177,093,864)
Reflected in the balance sheet as follows					
Deferred tax assets	2,792,084	2,244,862	1,258,713		
Deferred tax liabilities	(177,426,847)	(179,338,726)	(180,226,723)		
Deferred tax liabilities (net)	(174,634,763)	(177,093,864)	(178,968,010)		

Reconciliation of deferred tax assets / (liabilities), net

	March 31, 2017	March 31, 2016
	In Rs.	In Rs.
Opening balance as of April 1	(177,093,864)	(178,968,010)
Tax income/(expense) during the period recognised in profit or loss	2,319,259	1,832,939
Tax income/(expense) during the period recognised in OCI	139,842	41,207
Closing balance as at March 31	(174,634,763)	(177,093,864)

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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Note 25 : Contingent liabilities

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 1, 2015
	In Rs.	In Rs.	In Rs.
Contingent liabilities not provided for			
a. Guarantees given by bank on behalf of the Company	791,892,733	597,536,305	411,465,725

Note 26 : Capital commitment and other commitments

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 1, 2015
	In Rs.	In Rs.	In Rs.
Capital commitments			
Estimated amount of Contracts remaining to be executed on capital account and not provided for	-	8,933,500	-

Note 27 : Foreign Exchange Derivatives and Exposures not hedged

A. Exposure Not Hedged

Nature of exposure	Currency	Year ended March 31, 2017		Year ended March 31, 2016		Year ended April 1, 2015	
		In Mn	In Rs.	In Mn	In Rs.	In Mn	In Rs.
Receivables	USD	1,825,583	118,389,054	1,144,047	75,798,883	58,315	3,644,681
	EUR	379,595	26,303,114			24,000	1,612,560
	GBP	-	-			101,281	9,365,467
Payable to creditors	USD	52,398	3,398,010			78,960	4,935,024
	EURO	46,133	3,196,671				

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The Anup Engineering Limited
Notes to the Financial Statements

Note 28 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of Rs.24,64,839/- (March 31, 2016: Rs. 21,84,704/-) is recognised as expenses and included in Note No. 20 "Employee benefit expense"

Particulars	As at March 31, 2017	As at March 31, 2016
Provident Fund	2,171,962	1,984,331
ESI	170,247	100,373
Superannuation Fund	122,630	100,000
	<u>2,464,839</u>	<u>2,184,704</u>

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the company is required to contribute a specified percentage to the payroll costs to fund the benefits.

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

March 31, 2017 : Changes in defined benefit obligation and plan assets

	Gratuity: cost charged to statement of profit and loss			Remeasurement gains/(losses) in other comprehensive income			Sub-total included in OCI	Contributions by employer	March 31, 2017
	April 1, 2016	Service cost	Net interest expense	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions			
Defined benefit obligation	4,918,000	1,090,120	391,473	1,481,593	-	-	321,919	-	6,182,153
Fair value of plan assets	(3,225,923)	-	(415,983)	(415,983)	82,156	-	82,156	(799,290)	(3,819,681)
Benefit liability	(307,923)	1,090,120	(24,510)	1,065,610	82,156	-	404,075	(799,290)	362,472
Total benefit liability	-307,923	1,090,120	-24,510	1,065,610	82,156	-	404,075	(799,290)	362,472

March 31, 2016 : Changes in defined benefit obligation and plan assets

	Cost charged to statement of profit and loss			Remeasurement gains/(losses) in other comprehensive income			Sub-total included in OCI	Contributions by employer	March 31, 2016
	April 1, 2015	Service cost	Net interest expense	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions			
Defined benefit obligation	4,086,704	928,846	375,302	1,254,148	-	-	73,479	-	4,918,000
Fair value of plan assets	(4,346,933)	-	(361,996)	(361,936)	45,590	-	45,590	(858,973)	(5,225,923)
Benefit liability	(460,231)	928,846	(36,634)	892,212	45,590	-	119,069	(858,973)	(307,923)
Total benefit liability/(asset)	(460,231)	928,846	(36,634)	892,212	45,590	-	119,069	(858,973)	(307,923)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2017 (% of total plan assets)	Year ended March 31, 2016 (% of total plan assets)
Insurance fund	100%	100%
(%) of total plan assets	100%	100%

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The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 1, 2015
Discount rate	7.57%	7.96%	7.96%
Future salary increase	8.00%	8.00%	8.00%
Expected rate of return on plan assets	7.57%	7.96%	7.96%
Attrition rate	2.00%	2.00%	2.00%
Mortality rate during employment	Indian assumed lives Mortality(2006-	Indian assumed lives Mortality(2006-	Indian assumed lives Mortality(2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Sensitivity level	(Increase)/Decrease in defined benefit obligation (Impact)		
		Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Gratuity				
Discount rate	1% increase	-743,845	(569,333)	
	1% decrease	900,011	690,805	
Salary increase	1% increase	887,036	683,546	
	1% decrease	-747,449	(573,995)	
Attrition rate	1% increase	-58,636	(28,869)	
	1% decrease	64,217	29,731	

The followings are the expected future benefit payments for the defined benefit plan:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Gratuity		
Within the next 12 months (next annual reporting period)	453,198	623,733
Beyond 2 and 5 years	632,916	716,865
Beyond 5 years	1,354,363	2,746,208
Total expected payments	2,640,477	4,086,806

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Gratuity	15	15

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Gratuity		

C. Other Long term employee benefit plans

Leave encashment
Salaries, Wages and Bonus include Rs. 15,39,950/- (Previous Year Rs. 26,14,139/-) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

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ote 29 : Related Party Disclosure

As per the Indian Accounting Standard on "Related Party Disclosures" (IND AS 24), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

1	Arvind Limited	Holding Company
2	Arvind Accel Limited	Fellow Subsidiary
3	Asman Investments Limited	Fellow Subsidiary
4	Dholka Textile Park Pvt Ltd	Fellow Subsidiary
5	Shri Rishi Roop Kapoor, Chief Executive Officer	Key Management Personnel
6	Shri Parash A. Shah, Chief Financial Officer	Key Management Personnel

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

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b Disclosure in respect of Related Party Transactions :

Nature of Transactions	Year ended	
	March 31, 2017	March 31, 2016
Purchase of Goods and Materials		
Arvind Limited	110,509	332,762
Remuneration		
Shri Rishi Roop Kapoor	16,840,231	11,220,983
Shri Parash A. Shah	3,157,629	2,882,320
Interest Expense		
Arvind Limited	-	-
Interest Income		
Arvind Limited	54,371,473	21,173,976
Arvind Accel Limited	23,870	2,808
Dholka Textile Park Pvt Limited	505,480	126,370
Loan Given/(Repaid) (Net)		
Arvind Limited	512,500,000	-
Arvind Accel Limited	(10,000,000)	10,000,000
Dholka Textile Park Private Limited	(450,000,000)	450,000,000

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d Transactions and Balances :

Particulars	Holding Company		Fellow Subsidiary Companies		Key Management Personnel and relatives	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Transactions						
Purchase of Goods and Materials	110,509	332,762	-	-	-	-
Interest Income	54,371,473	21,173,976	529,350	129,178	-	-
Remuneration	-	-	-	-	19,997,860	-
Loan Given/(Repaid) (Net)	512,500,000	-	(460,000,000)	460,000,000	-	14,103,303

In Rs.

Particulars	Holding Company		Subsidiary Companies		Key Management Personnel and relatives	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Balances as at year end	561,434,325	-	460,116,260	8,502,509	-	-
Loans and Advances	-	-	8,502,509	-	-	-
Borrowings	-	-	-	8,502,509	-	-

e Terms and conditions of transactions with related parties

1) 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.

2) Loans in INR given to the related party carries interest rate of 10.25% (March 31, 2016 : 10.25% & April 1, 2015 : 10.75% - 11%).

f Commitments with related parties

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

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Note 32 : Fair value disclosures for financial assets and financial liabilities

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

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

Particulars	Carrying amount			Fair value		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Financial liabilities						
Borrowings	38,992,960	161,621,218	8,821,417	38,992,960	161,621,218	8,821,417
Total	38,992,960	161,621,218	8,821,417	38,992,960	161,621,218	8,821,417

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

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

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

Note 33 : 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 liabilities as at March 31, 2017, March 31, 2016 and April 1, 2015

Date of valuation	Total	Fair value measurement using		
		Quoted prices in (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		In Rs.	In Rs.	In Rs.
As at March 31, 2017				
Liabilities disclosed at fair value				
Borrowings	March 31, 2017	38,992,960		38,992,960
As at March 31, 2016				
Liabilities disclosed at fair value				
Borrowings	March 31, 2016	161,621,218		161,621,218
As at April 1, 2015				
Liabilities disclosed at fair value				
Borrowings	April 01, 2015	8,821,417		8,821,417

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Note 34 : 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 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. In order to minimise any adverse effects on the financial performance of the company, the Company's risk management is carried out by a Treasury department under policies approved by the Board of directors. Company's treasury identifies and evaluates financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

- (a) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade and other receivable and trade and other payables.

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:

- 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.

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.

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, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the company.

The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by Board as per established risk management policy. Details of the hedge & unhedged position of the Company given in Note no.2

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR 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.

	Change in USD rate	Effect on profit before tax
March 31, 2017	+2%	2,299,821
	-2%	-2,299,821
March 31, 2016	+2%	1,515,978
	-2%	-1,515,978
April 1, 2015	+2%	-25,807
	-2%	25,807

	Change in EUR rate	Effect on profit before tax
March 31, 2017	+2%	462,129
	-2%	-462,129
March 31, 2016	+2%	-
	-2%	-
April 1, 2015	+2%	32,251
	-2%	-32,251

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

- (b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

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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 30 days to 45 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. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

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 homogeneous 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 8.1. 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 is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meets 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 8.2 & Note 8.3.

(c) 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 optimised cost. It also enjoys strong access to domestic capital markets across equity.

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

Particulars	On Demand	Less than 1 month	1 month 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	38,992,960					
Trade payables	-	104,764,442	43,805,977			
Other financial liabilities	1,601,181					
Derivatives						
	<u>40,594,141</u>	<u>104,764,442</u>	<u>43,805,977</u>			
Year ended March 31, 2016						
Interest bearing borrowings	161,621,218					
Trade payables	-	100,812,311	48,457,778			
Other financial liabilities	1,398,958					
Derivatives						
	<u>163,020,176</u>	<u>100,812,311</u>	<u>48,457,778</u>			
Year ended April 1, 2015						
Interest bearing borrowings	8,974,123					
Trade payables	-	69,954,793	7,276,756			
Other financial liabilities	1,547,485					
Derivatives						
	<u>10,521,608</u>	<u>69,954,793</u>	<u>7,276,756</u>			

Note 35 : 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	Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 1, 2015
	In Rs.	In Rs.	In Rs.
Interest-bearing loans and borrowings (Note 13)	38,992,960	161,621,218	8,974,123
Less: cash and cash equivalent (including other bank balance) (Note 7)	(16,917,381)	(45,027,703)	(97,502,370)
Net debt	<u>22,075,579</u>	<u>116,593,515</u>	<u>(88,528,247)</u>
Equity share capital (Note 11)	136,000,000	34,000,000	34,000,000
Other equity (Note 12)	1,530,645,075	1,334,619,789	1,100,365,388
Total capital	<u>1,666,645,075</u>	<u>1,368,619,789</u>	<u>1,134,365,388</u>
Capital and net debt	<u>1,708,720,654</u>	<u>1,485,213,304</u>	<u>1,045,837,140</u>
Gearing ratio	1.29%	7.85%	-8.46%

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.

Under the terms of the major borrowing facilities, the Company has complied with the required financial covenants through out the reporting periods.

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Note 36 : First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2017, are the first annual Ind AS financial statements, the Company has prepared in accordance with Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2015 and the previously published Indian GAAP financial statements as at and for the year ended March 31, 2016.

Exemptions applied

Ind AS 101 "First-time Adoption of Indian Accounting Standards" allows first-time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

Ind AS optional exemptions

1 Deemed cost

Ind AS 101 permits a first time adopter to elect to measure an item of property, plant and equipment at the transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. This exemption can also be used for intangible assets covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant and equipment at fair value & intangible assets at previous GAAP carrying value on the date of transition to Ind AS and used those value as deemed cost of Property, plant and equipment & Intangible assets respectively.

Ind AS mandatory exceptions

1 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, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in the conformity with previous GAAP.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2015, the date of transition to Ind AS and as of March 31, 2016.

2 Classification and measurement of financial assets

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

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:

Reconciliation between previous GAAP and Ind AS

1. Reconciliation of equity as at March 31, 2016 & April 1, 2015

	Notes	As at March 31, 2016	As at April 1, 2015
Equity under previous GAAP		910,823,635	670,688,621
Impact of fair valuation of Property, plant and equipment & Intangible assets	i	607,583,566	613,944,526
Tax impact on Ind AS adjustments	ii	(148,066,358)	(150,267,739)
Equity as per Ind AS		1,370,340,843	1,134,365,388

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

	Notes	2015-16
Profit after tax as per previous GAAP		240,135,014
Impact on depreciation on account of fair valuation of Property, plant and equipment & Intangible assets	i	(6,360,960)
Tax on depreciation on account of fair valuation	ii	2,160,194
Re-classification of re-measurement gains / (losses) on defined benefit plans to OCI	iii	119,069
Profit after tax as per Ind AS		236,053,317
Other comprehensive income (net of tax)		(77,862)
Re-measurement gains / (losses) on defined benefit plans (net of tax)	iii	(77,862)
Total Comprehensive Income under Ind AS, net of tax		235,975,455

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. Fair Valuation of Property, plant and equipment & Intangible assets

The Company has elected to measure all items of Property, Plant and Equipment (PPE) at fair value at the date of transition to Ind AS and to use the fair value as deemed cost on the date of transition. The resulting change has been adjusted in retained earnings. Change in depreciation & amortisation of the subsequent period due to fair valuation of items of PPE have been recognised in statement of profit & loss. The following table summarizes the aggregate fair value and adjustment to the carrying amount reported under previous GAAP for items of PPE assets for which fair value measurement is adopted:

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Asset	Previous Carrying value	Fair value	Impact on date of transition
Property, plant and equipment			
Land Freehold	217,000	572,208	355,208
Land Lease hold	137,547	491,757,905	491,620,358
Building	91,342,133	147,212,354	55,870,221
Plant & Equipments	270,946,389	330,684,168	59,737,779

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 Rs. 1,19,069. There is no impact on the total equity as at March 31, 2016.

iv. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes re-measurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

v. Retained earnings

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

vi. Classification & Presentation

i. 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 Rs. 14,78,98,906 with a corresponding increase in other expense.

ii. 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.

Note 37 : Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effect on the financial statements is being evaluated by the Company.

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Note 38 : Operating segment

The Company's business activity falls within a single primary business segment of Engineering goods. Accordingly the Company is a single segment company in accordance with Ind AS 108 "Operating Segment".

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

Particulars	Amount in Rs.	
	March 31,2017	March 31,2016
Segment Revenue*		
a) In India	1,412,818,465	1,208,508,017
b) Rest of the world	380,731,359	236,797,087
Total Sales	1,793,549,824	1,445,305,104
Carrying Cost of Segment Assets**		
a) In India	2,045,764,020	1,255,212,614
b) Rest of the world	144,692,168	75,798,883
Total	2,190,456,188	1,936,874,010
Carrying Cost of Segment Non Current Assets**@		
a) In India	823,730,984	815,546,993
b) Rest of the world	-	-
Total	823,730,984	815,546,993

* Based on location of Customers

** Based on location of Assets

@ Excluding Financial Assets.

Note 39 : Disclosure on Specified Bank Notes (SBNs)

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

Particulars	Amount in Rs.		
	SBNs*	Other denomination notes	Total
Closing cash balance as on November 8, 2016	50,000	14,008	64,008
(+) Permitted Receipts	-	100,517	100,517
(-) Permitted Payments	-	51,710	51,710
(-) Amount deposited in Banks	50,000	-	50,000
Closing cash balance as on December 30, 2016	-	62,815	62,815

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

40 Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped or reclassified to conform to Ind AS presentation requirements.