Deepak Phenolics Limited
Balance Sheet as at March 31, 2018

(Rs. in Lakhs)

		Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I	**ASSETS**				
	Non-current assets				
	(a) Property, Plant and Equipment	2	2,274.27	2,219.06	61.90
	(b) Capital Work-in-Progress	2	91,825.86	30,846.26	2,161.74
	(c) Other Intangible assets	3	11.29	14.00	-
	(d) Financial Assets				
	Other Financial Assets	4	96.69	63.25	42.09
	(e) Deferred Tax Assets (net)	16	679.13	-	-
	(f) Other Non-Current Assets	5	3,578.76	10,542.79	3,960.76
	Total Non-Current Assets		**98,466.01**	**43,685.36**	**6,226.49**
	Current assets				
	(a) Inventories	6	13,729.87	2,650.32	16.70
	(b) Financial Assets:				
	Investments	7	801.39	1,100.00	1,635.88
	Trade Receivables	8	4,692.47	4,416.99	1,684.76
	Cash and Cash Equivalents	9	1,529.63	1,025.63	135.65
	Other Financial Assets	10	89.53	229.31	151.47
	(c) Other Current Assets	11	9,405.17	0.53	0.53
	Total Current Assets		**30,248.05**	**9,422.78**	**3,624.99**
	TOTAL ASSETS		**128,714.06**	**53,108.15**	**9,851.47**
II	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity Share Capital	12	43,100.00	25,000.00	6,184.41
	(b) Share Application Money	12	5,000.00	3,000.00	-
	(c) Other Equity	13	(1,739.13)	(1,255.51)	(286.61)
	Total Equity		**46,360.87**	**26,744.49**	**5,897.80**
	Non-current liabilities				
	(a) Financial Liabilities:				
	Borrowings	14	45,749.93	8,124.18	-
	(b) Provisions	15	10.23	43.58	12.83
	(c) Other Non Current Liabilities	21	1,702.99	-	-
	Total Non-Current Liabilities		**47,463.15**	**8,167.76**	**12.83**
	Current liabilities				
	(a) Financial Liabilities:				
	Borrowings	17	6,741.20	6,910.30	3,361.18
	Trade Payables	18	18,096.30	3,971.60	529.36
	Other Financial Liabilities	19	9,993.53	7,286.91	42.21
	(b) Provisions	15	53.02	6.93	2.88
	(d) Other Current Liabilities	20	5.99	20.16	5.22
	Total Current Liabilities		**34,890.03**	**18,195.90**	**3,940.85**
	Total Liabilities		**82,353.19**	**26,363.66**	**3,953.67**
	TOTAL EQUITY AND LIABILITIES		**128,714.06**	**53,108.15**	**9,851.47**
					-

The accompanying notes form an integral part of the Financial Statement
As per our report of even date

For and on behalf of the Board

For
M/s B.K. Khare & Co.
Chartered Accountants
Firm Registration No. - 105102W

Ravi Kapoor
Partner
Membership No. 040404

D. C. Mehta
Chairman & Managing Director

Sanjay Upadhyay
Director

Shripad Gumaste
Director

Sandesh Anand
Director

Ajay Jajoo
Chief Financial Officer

Arvind Bajpai
Company Secretary

Mumbai: April 30, 2018

Vadodara: April 30, 2018

Deepak Phenolics Limited
Statement of Profit and Loss for the year ended March 31, 2018

(Rs. in Lakhs)

	Particulars	Notes	2017-18	2016-17
I	Revenue From Operations	22	19,985.96	13,656.85
II	Other Income	23	27.85	178.23
III	**Total Income (I+II)**		**20,013.80**	**13,835.08**
IV	**Expenses:**			
	(a) Purchase of Traded Goods	24	19,098.69	16,284.83
	(b) Changes in Inventories of Finished goods, Stock-in-Trade, Work-in-Progress	25	681.63	(2,633.90)
	(c) Excise duty on sale of goods		47.56	143.48
	(d) Employee Benefits Expenses	26	287.55	153.47
	(e) Finance costs	27	480.74	322.88
	(f) Depreciation and amortisation Expenses	28	70.19	43.59
	(g) Other Expenses	29	510.06	489.54
	Total Expenses (IV)		**21,176.41**	**14,803.89**
V	**Profit before tax (V+VI)**		**(1,162.61)**	**(968.81)**
VI	**Tax expense:**			
	(a) Current Tax		-	-
	(b) Deferred Tax		679.13	-
	(c) Prior Period Tax adjustment			
VII	**Profit for the period (VII-VIII)**		**(483.48)**	**(968.81)**
VIII	**Other comprehensive income:**			
	(A) Items that will not be reclassified to profit and loss:			
	(a) Remeasurement of defined benefit obligations (net)		**(0.14)**	**(0.09)**
	Total Other comprehensive income for the period (VIII)		**(0.14)**	**(0.09)**
IX	**Total comprehensive income for the year (VII+VIII)**		**(483.62)**	**(968.90)**
	Earnings per equity share			
	(i) Basic (Face Value per share Rs.10 each)		(0.17)	(0.73)
	(ii) Diluted (Face Value per share Rs.10 each)		(0.17)	(0.72)

The accompanying notes form an integral part of the Financial Statements
As per our report of even date

For and on behalf of the Board

For
M/s B.K. Khare & Co.
Chartered Accountants
Firm Registration No. - 105102W

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Chairman & Managing Director

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Director

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Partner
Membership No. 040404

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Director

Ajay Jajoo
Chief Financial Officer

Arvind Bajpai
Company Secretary

Mumbai: April 30, 2018

Vadodara: April 30, 2018

Deepak Phenolics Limited

Cash Flow Statement for the year ended March 31, 2018

(Rs. in Lakhs)

	Particulars	2017-18	2016-17
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax from Continuing Operations	(1,162.75)	(968.90)
	Profit Before Tax	**(1,162.75)**	**(968.90)**
	Non-cash adjustment to reconcile Profit Before Tax to net Cash Flows		
	1. Depreciation / Amortisation on Continuing Operations	86.19	43.59
	2. Amortisation of Preliminary Expenses	1.05	0.52
	3. Transaction cost of Share Issue Expenses	0.40	175.95
	4. Provision for Doubtful Debts	51.16	(1.71)
	5. Gain on redemption of investment	(3.92)	(39.94)
	6. Interest expenses	480.74	322.88
	7. Interest Income	(23.93)	(50.43)
	8. Dividend Income		-
	9. Loss on Sale of assets		0.87
	Operating Profit before change in Operating assets and liabilities	**(571.06)**	**(517.17)**
	Movements in working capital :		
	1. (Increase)/Decrease in Trade Receivables	(326.65)	(2,730.52)
	2. (Increase)/Decrease in other non-current assets	2,475.29	(1,915.77)
	3. (Increase)/Decrease in other current assets	-	30.55
	4. (Increase)/Decrease in Inventories	(11,079.55)	(2,633.62)
	5. Increase/(Decrease) in Trade Payables	14,124.70	3,442.24
	6. (Increase)/Decrease in Other Current Assets	(9,404.11)	-
	7. Increase/(Decrease) in Current / Non Current Provisions	12.74	34.80
	8. Increase/(Decrease) in Current Liabilities	(14.17)	15.94
	9. Increase/(Decrease) in Non-Current Liabilities	1,702.99	-
	Cash generated from operations	**(3,079.83)**	**(4,273.55)**
	Less:		
	Income tax paid (net of refund)	(5.02)	(4.29)
	Net cash inflow from operating activities	**(3,084.85)**	**(4,277.84)**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	1.Purchase of Plant, Property and Equipments	(138.70)	(2,203.32)
	2. Increase in Capital WIP	(60,979.60)	(28,684.52)
	3. Purchase of Intangibles	-	(16.26)
	4. Increase in Capital Advaces related to Project	4,454.78	(4,687.42)
	5. Sale of Current Investments	302.53	575.82
	6. Increase in Other financial liabilities related to projects	2,706.62	7,243.70
	7. Interest Received	23.93	50.43
	8. FD with maturity between 3 to 12 Months	144.80	(104.10)
	9. Proceeds from sale of fixed assets		3.44
	Net cash outflow from investing activities	**(53,485.65)**	**(27,822.23)**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	1. Increase in Share Capital	18,100.00	18,815.59
	2. Increase in Share Application Money	2,000.00	3,000.00
	3. Increase in Secured Loan	37,625.75	8,124.18
	4. Increase/(Decreased) in Current Borrowings	(169.10)	3,549.12
	5. Share Issue Expenses	(0.40)	(175.95)
	6. Interest Paid	(480.74)	(322.88)
	Net cash outflow from financing activities	**57,074.50**	**32,990.05**
	Net increase/decrease in cash and cash equivalents A+B+C	504.00	889.98
	Cash and cash equivalents at the beginning of the financial year	1,025.63	135.65
	Cash and cash equivalents at the end of the financial year	**1,529.63**	**1,025.63**
	Reconcialation of Cash & Cash Equivalents		
	Balances with Banks		
	- In Current Accounts	824.01	443.12
	- FD with maturity less than 3 months	705.62	582.51
	Total Cash and cash equivalents	**1,529.63**	**1,025.63**

As per our report of even date

For and on behalf of the Board

For
M/s B.K. Khare & Co.
Chartered Accountants
Firm Registration No. - 105102W

Ravi Kapoor
Partner
Membership No. 040404

D. C. Mehta
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Ajay Jajoo
Chief Financial Officer

Arvind Bajpai
Company Secretary

Mumbai: April 30, 2018

Vadodara: April 30, 2018

Deepak Phenolics Limited

NOTES forming part of the Financial Statements for the year ended March 31, 2018

Company overview

Deepak Phenolics Limited (Formerly known as Deepak Clean Tech Limited) is a wholly owned subsidiary of Deepak Nitrite Limited (along with nominees). It is formed for manufacturing for Phenol & Acetone as their main product. Deepak Phenolics Limited is in the process of setting up a manufacturing facility at GIDC, Dahej (Gujarat).

1. Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013. These Financial Statements are the first Financial Statements of the Company in accordance with Ind AS. The date of transition to Ind AS is April 1, 2016. Refer 'Note 48' for details of first-time adoption exemptions availed by the Company.

(ii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

a) Certain items of Property, Plant and Equipment
b) Certain financial assets and financial liabilities measured at fair value
c) Derivative Financial instruments
d) Defined benefit plan – plan assets measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
• Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘functional currency’). The Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

(iv) Use of estimates and critical accounting judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will be equal to the actual results. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.
Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

b) Current versus non-current classification

Assets and liabilities are classified as Current or Non-Current as per the provisions of the Schedule III notified under the Companies Act, and the Company's normal operating cycle.

An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
ii. Held primarily for the purpose of trading;
iii. Expected to be realised within twelve months after the reporting period, or
iv. 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:

i. It is expected to be settled in normal operating cycle;
ii. It is held primarily for the purpose of trading;
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of business and its activities, the Company has ascertained its operating cycle as twelve months for the purpose of Current & Non-Current classification of assets and liabilities.

c) Revenue recognition

(i) Timing of recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods are transferred to the buyer, recoverability of consideration is probable, the amount of revenue and cost incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing managerial involvement over the goods sold.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

(ii) Measurement of revenue:

Sale of Goods:

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer, irrespective of whether the goods are sold or not. As per Ind AS 18, the revenue is reported net of GST. Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

Revenue from services is recognized when the services are rendered or when contracted milestones have been achieved.

Interest income:

Interest income from Financial Assets is recognised when it is probable that the economic benefits will flow to the company and the amount of income is measured reliably. Interest income is accrued on time basis, by reference to the principle outstanding and using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a 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.

d) Foreign currency transactions

(i) Transactions and Balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statment profit or loss in the period in which they arise.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs.

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, option contracts and interest rate swaps.

The derivative financial instruments are reinstated at fair value at each period end and gain or loss on these derivative instruments are recognised in the Statement of Profit and Loss.

e) Income taxes

The income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit /(tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income Tax Act regulation are recognized in statement of changes in equity as part of associated dividend payment.

f) Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services are stated at cost less accumulated depreciation and accumulated losses if any.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided, pro rata for the period of use, under the Straight Line Method (SLM).

Depreciation on all tangible assets is provided at the rates and in the manner prescribed by Schedule II to the Companies Act, 2013.

Freehold land is stated at historical cost and is not depreciated.

Land accounted under finance lease is amortised on a straight-line basis over the period of lease.

An item of property, plant and equipment is derecognised upon disoposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

In respect of depreciable assets for which Impairment Loss is recognised, depreciation/amortisation is charged on the revised carrying amount over the remaining useful life of the assets computed on the basis of the life prescribed in schedule II to the Companies Act, 2013.

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

Assets held for disposal are classified as Current Assets at lower of its carrying amount and fair value less costs to sell, difference being recognised in the Statement of Profit and Loss.

g) Intangible assets

Intangible assets are stated at their original cost of acquisition, less accumulated amortisation and impairment losses, if any. An Intangible Asset is recognised, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured.

The cost of intangible assets is amortised over the estimated useful life, in any case, not exceeding ten years, on a straight-line basis. A detail of estimated useful life is given below:

Software and related implementation	6 years

h) Impairment of assets

The carrying amount of cash generating units/assets is reviewed at the Balance Sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognised whenever carrying amount exceeds the recoverable amount. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

j) Inventories

Raw materials, packing materials, stores and spares other than specific spares for plant and equipment are valued at cost determined on period-moving weighted average basis and are net of Cenvat, VAT & GST. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and equipment gets classified as inventory.

Finished Goods and Stock-in-process are valued at cost of purchase of raw materials and conversion thereof, including the cost incurred in the normal course of business in bringing the inventories up to the present condition or at the net realisable value, whichever is lower. The inventories of joint products are valued by allocating the costs to the joint products by `Relative Sales Value' method. By-products are valued at net realisable price.

k) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

ii) Those measured at amortised cost

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

(ii) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(iii) Subsequent measurement

After initial recognition, financial assets are measured at:

i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,

ii) Amortised cost

(iv) Debt instruments

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain/(loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

(v) Equity instruments

The Company subsequently measures all investments in equity instruments other than subsidiary companies at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments, except for strategic investments, in the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(vi) Impairment of financial assets

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

(vii) De-recognition

A financial asset is de-recognised only when the Company

i) has transferred the rights to receive cash flows from the financial asset or

ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

l) Financial liabilities

(i) Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

n) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

o) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

p) Employee benefits

(i) Short-term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

(ii) Defined contribution plan

Company's contributions paid/payable during the year to Provident Fund, Superannuation Fund are recognised in the Statement of Profit and Loss.

(iii) Defined benefit plan

The Company's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability / (asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

(iv) Compensated absence and earned leaves

The Company's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the

projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.

q) Government Grants

The Company had imported property, plant and equipment under the Export Promotion Capital Goods (EPCG) Scheme wherein the Company is allowed to import capital goods including spares without customs duty, subject to certain export obligations which should be fulfilled within specified time period. Since the Company has recomputed cost as per Ind AS 16, it has made the following adjustments to meet the requirements of Ind AS 16 - Property, Plant & Equipment and Ind AS 20 - Accounting for Government Grants and disclosure of Government assistance :

The custom duty benefit received treated as Export Obligation (Unexpired) included in other non current liabilities with a corresponding increase in the value of capital work-in-progress of Rs 17.03 Cr.

r) Research and Development

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

s) Earnings per share

Basic Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Diluted Earnings per Equity Share are computed by dividing net income by the weighted average number of Equity Shares adjusted for the effects of all dilutive potential Equity Shares. Earnings considered in ascertaining the EPS is the net profit for the period after attributable tax thereto for the period.

t) Segment Reporting - Basis of Information

There are no reportable segments as defined by IND AS 108 on “Segment Reporting”.

Deepak Phenolics Limited

Statement of Changes in Equity for the year ended March 31, 2018

(A) SHARE CAPITAL

Rs. in Lakhs

Particulars	Equity Shares	Preference Shares
As at April 01, 2016	**6,184.41**	**-**
Issued during the year	18,815.59	-
As at March 31, 2017	**25,000.00**	**-**
Issued during the year	3,000.00	15,100.00
As at March 31, 2018	**28,000.00**	**15,100.00**

(B) OTHER EQUITY

	Reserves and Surplus
	Retained earnings
Balance as at 01.04.2017	**(1,255.51)**
Profit for the year	**(483.48)**
Other Comprehensive income	**(0.14)**
Balance as at 31.03.2018	**(1,739.13)**
Balance as at 01.04.2016	**(286.61)**
Profit for the year	(968.81)
Other Comprehensive income	(0.09)
Balance as at 31.03.2017	**(1,255.51)**

As per our report of even date

For and on behalf of the Board

For
M/s B.K. Khare & Co.
Chartered Accountants
Firm Registration No. - 105102W

Ravi kapoor
Partner
Membership No. 040404

D. C. Mehta
Chairman & Managing Director

Sanjay Upadhyay
Director

Shripad Gumaste
Director

Sandesh Anand
Director

Ajay Jajoo
Chief Financial Officer

Arvind Bajpai
Company Secretary

Mumbai: April 30, 2018

Vadodara: April 30, 2018

Notes forming part of the Financial Statements as at and for the year ended March 31,2018

2 PROPERTY, PLANT AND EQUIPMENT

Rs. in lakhs

Particulars	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Roads	Total	Capital work-in-progress
	Owned assets								
Gross Carrying amount									
Deemed Cost as at April 01, 2016			11.71	3.74	26.16	20.29		61.90	2,161.74
Additions during the year	2,080.94	-	17.22	83.65	-	20.99		2,202.80	28,684.52
Deductions during the year						6.15		6.15	
Other adjustments								-	
Gross Carrying amount as at March 31, 2017	**2,080.94**	**-**	**28.93**	**87.39**	**26.16**	**35.13**	**-**	**2,258.55**	**30,846.26**
Additions during the year	-	87.02	15.96	10.39	-	25.33		138.70	60,979.60
Deductions during the year								-	
Other adjustments								-	
Gross Carrying Amount as at March 31, 2018	**2,080.94**	**87.02**	**44.89**	**97.78**	**26.16**	**60.46**	**-**	**2,397.25**	**91,825.86**
Depreciation/Amortisation									
For the year 2016-17	8.58	-	10.02	12.94	3.44	6.35	-	41.33	
Depreciation impact on account of Fair Valuation								-	
Disposal and adjustments						1.84		1.84	
Upto March 31 , 2017	**8.58**	**-**	**10.02**	**12.94**	**3.44**	**4.51**	**-**	**39.49**	**-**
For the year 2017-18	25.74	0.24	13.97	26.81	3.44	13.28	-	83.48	
Disposal and adjustments								-	
Upto March 31 , 2018	**34.32**	**0.24**	**23.99**	**39.75**	**6.88**	**17.79**	**-**	**122.97**	**-**
Net Carrying amount								-	
As at March 31, 2017	**2,072.36**	**-**	**18.91**	**74.45**	**22.72**	**30.62**	**-**	**2,219.06**	**30,846.26**
As at March 31, 2018	**2,046.62**	**86.77**	**20.90**	**58.03**	**19.28**	**42.67**	**-**	**2,274.27**	**91,825.86**

Notes forming part of the Financial Statements as and for the year ended March 31,2018

3. INTANGIBLE ASSETS **Rs. in Lakhs**

Intangible assets	Computer Software	Total
Gross Carrying amount		
Deemed Cost as at April 01, 2016	-	**-**
Additions during the year	16.26	**16.26**
Deductions during the year		**-**
Other adjustments		**-**
Gross Carrying amount as at March 31, 2017	**16.26**	**16.26**
Additions during the year	0.00	**0.00**
Deductions during the year		**-**
Other adjustments		**-**
Gross Carrying Amount as at March 31, 2018	**16.26**	**16.26**
Depreciation/Amortisation		
For the year 2016-17	2.26	**2.26**
Disposal and adjustments	-	**-**
Upto March 31 , 2017	**2.26**	**2.26**
For the year 2017-18	2.71	**2.71**
Disposal and adjustments		`
Upto March 31 , 2018	**4.97**	**4.97**
Net Carrying amount		
As at March 31, 2017	**14.00**	**14.00**
As at March 31, 2018	**11.29**	**11.29**

4. OTHER FINANCIAL ASSETS (NON CURRENT)

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
a) Security Deposits			
Unsecured, considered good			
i) Others	96.69	63.25	42.09
Total	**96.69**	**63.25**	**42.09**

5. OTHER NON-CURRENT ASSETS

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Capital Advances	3,578.76	8,033.54	3,346.12
(b) Balances with Statutory / Government authorities	-	2,508.73	613.60
(c) Unamortised Expenses	-	0.52	1.04
(d) TDS Receivables			-
Total	**3,578.76**	**10,542.79**	**3,960.76**

6. INVENTORIES (At lower of cost or net realisable value)

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01,2016 Rs. in Lakhs
(a) Raw materials and components	8,277.50	1.24	1.15
Add: Goods-in-transit	3,484.91	-	-
	11,762.41	1.24	1.15
(b) Work-in-progress			
(c) Finished goods	1,967.45	2,649.08	15.18
Total	**13,729.87**	**2,650.32**	**16.70**

Inventories hypothecated/mortgaged as security for borrowings are disclosed under note 14 and note 17.

7. INVESTMENTS

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Amount Rs. in Lakhs	Amount Rs. in Lakhs	Amount Rs. in Lakhs
Investments measured at FVTPL (Un Quoted)			
Investments in Mututal Funds	801.39	1,100.00	1,635.88
Total	**801.39**	**1,100.00**	**1,635.88**

8. TRADE RECEIVABLES

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Unsecured, Considered Good			
i) Trade Receivables	4,319.12	4,416.99	1,686.47
ii) Related Parties	424.52	-	
(b) Unsecured, Considered Doubtful			
Less : Allowances for doubtful debts	(51.16)	-	(1.71)
Total	**4,692.47**	**4,416.99**	**1,684.76**

The credit period on sales of goods varies with business segments/ markets and generally ranges between 30 to 150 days. No interest is recovered on trade receivables for payments received after the due date.

Trade receivables hypothecated/mortgaged as security for borrowings are disclosed under note17 and note21.

9. CASH AND CASH EQUIVALENTS

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Cash on hand	-	-	-
(b) Balances with banks*	1,529.63	1,025.63	135.65
Total	**1,529.63**	**1,025.63**	**135.65**

*Balances with Banks includes:

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(i) In Current accounts	824.01	443.12	135.65
(ii) FD with maturity less than 3 Months	705.62	582.51	-
Total	**1,529.63**	**1,025.63**	**135.65**

10. OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Insurance Claim Receivable	-	-	3.13
(b) Receivable against expenses	-	-	27.42
(c) Advance Income Tax (Net of Provision)	10.23	5.21	0.92
(d) FD with maturity between 3 to 12 Months	79.30	224.10	120.00
Total	**89.53**	**229.31**	**151.47**

11. OTHER CURRENT ASSETS

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
Unsecured, considered good			
(a) GST Recoverable	9,311.88	-	-
(b) Prepaid Expenses	89.93	-	-
(c) Unamortised Expenses	0.00	0.53	0.53
(d) Other Receivables	3.35	-	-
Total	**9,405.17**	**0.53**	**0.53**

Notes forming part of the Condensed Financial Statements

12. Equity Share Capital

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
(A) Authorised:		
280,00,00,000 (P.Y. 280,00,000) Equity shares of Rs. 10 each	28,000.00	28,000.00
270,00,000 (P.Y. 270,00,000) Preference shares of Rs. 100 each	27,000.00	27,000.00
Total	**55,000.00**	**55,000.00**
(B) Issued, Subscribed and fully paid up:		
280,00,00,000 (P.Y. 250,00,00,000) Equity shares of Rs. 10 each	28,000.00	25,000.00
151,00,000 (PY NIL) Preference Shares of Rs.100/- each fully paid	15,100.00	-
Total	**43,100.00**	**25,000.00**

(a) Share Application Money		
Equity shares of face value Rs. 10 each	-	3,000.00
Preference shares of face value Rs. 100 each	5,000.00	-
Total	**5,000.00**	**3,000.00**

(a) Reconciliation of number of **Equity Shares** outstanding at the beginning and at the end of the period :

	As at March 31, 2018		As at March 31, 2017	
	No. of shares	**Rs. in Lakhs**	**No. of shares**	**Rs. in Lakhs**
Equity Shares				
Shares outstanding at the beginning of the period	250,000,000	25,000.00	61,844,100	6,184.41
Issued during the year	30,000,000	3,000.00	188,155,900	18,815.59
Shares outstanding at the end of the period	**280,000,000**	**28,000.00**	**250,000,000**	**25,000.00**

(b) Reconciliation of number of **Preference Shares** outstanding at the beginning and at the end of the period :

	As at March 31, 2018		As at March 31, 2017	
	No. of shares	**Rs. in Lakhs**	**No. of shares**	**Rs. in Lakhs**
Preference Shares				
Shares outstanding at the beginning of the period	-	-	-	-
Issued during the year	15,100,000	15,100.00	-	-
Shares outstanding at the end of the period	**15,100,000**	**15,100.00**	**-**	**-**

Note: 151,00,000 No. of Preference Shares @ Rs. 100/- each issued at 7% Non-Cumulative Optionally Convertible Redeemable (OCPS) basis. The amount paid on each OCPS shall be either redeemed at face value of Rs. 100 or converted into ten (10) equity shares of face value of Rs. 10/- each within a period not exceeding twenty (20) years from the date of allotment of OCPS at the option of either the company and/ or the holder of the OCPS. The OCPS carry voting rights as prescribed under the provisions of Companies Act,2013

(c) Details of shares held by each shareholder holding more than 5% Equity shares of Rs. 10 each fully paid in the Company :

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No.	**% holding**	**No.**	**% holding**
Deepak Nitrate Limited & it's Nominees				
Equity Shares of Rs. 10 each	280,000,000	100.00	250,000,000	100
Preference Shares of Rs. 100 each	15,100,000	100.00	-	-

Notes forming part of the Condensed Financial Statements

13. OTHER EQUITY

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016
Reserves & Surplus			
(a) Retained Earnings	(1,738.90)	(1,255.42)	(286.61)
Reserves representing unrealised gains/(losses)			
Remeasurement of defined benefit obligations (net)	(0.23)	(0.09)	-
Total	**(1,739.13)**	**(1,255.51)**	**(286.61)**

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Retained Earnings			
Balance at beginning of year	(1,255.42)	(286.61)	(46.28)
Profit attributable to owners of the Company (Profit for the year)	(483.48)	(968.81)	(240.33)
Balance at end of year	**(1,738.90)**	**(1,255.42)**	**(286.61)**
(b) Remeasurement of defined benefit obligations (net) through other comprehensive income			
Balance at beginning of year	(0.09)	-	
Movements	(0.14)	(0.09)	
Balance at end of year	**(0.23)**	**(0.09)**	

14. NON-CURRENT BORROWING

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
Secured Loans			
Term Loan from Banks			
Foreign Currency Loan from Banks & Financial Institutions			
Loan from Banks	47,483.72	10,072.97	-
Less : Unamortized Exp.	(1,733.79)	(1,948.79)	-
Total	**45,749.93**	**8,124.18**	**-**

Term Loans:

Term Loan borrowings are Secured by way of first charge on Fixed Assets by way of hypothecation and mortgage and Second charge over Company's Raw Materials, Semi-Finished and Finished Goods, Consumable Stores and Book Debts by way of hypothecation.

Repayment Schedule:

a) Current Rate of Interest on Rupee loan from Banks are in the range of respective banks MCLR plus spread of 1.05% to 2.20% p.a.

b) Term loan from all Banks is repayable on quarterly basis starting from June, 2020 with last installment payable in December, 2028.

15. PROVISIONS

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
Non-current			
(a) Provision for Employee benefit obligations			
Provision for Leave benefits	10.23	22.22	7.94
Provision for Gratuity	-	21.36	4.89
Total-Non-Current	**10.23**	**43.58**	**12.83**
Current			
(a) Provision for Employee benefit obligations			
Provision for Leave benefits	43.35	6.70	2.86
Provision for Gratuity	9.67	0.23	0.02
	53.02	6.93	2.88
Total-Current	**63.25**	**50.51**	**15.71**

16. DEFERRED TAX ASSETS / LIABILITY (NET)

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(i) Break up of deferred tax liability as at year end:			
Nature of timing difference			
Others	-	-	-
Total Deferred Tax Liability	**-**	**-**	**-**
(ii) Break up of deferred tax asset as at year end:			
Nature of timing difference			
DTA provided for unabsorbed depreciation & business losses	(679.13)	-	-
MAT Credit Entitlement	-	-	-
Total Deferred Tax Asset	**(679.13)**	**-**	**-**
Deferred tax (Assest) / Liability (net) :	**679.13**	**-**	**-**

17. CURRENT BORROWING

		As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
a)	**Loans repayable on demand from Banks :**			
	(i) Secured	4,085.37	3,087.60	1,361.18
	(ii) Unsecured	5.84	822.70	-
b)	Unsecured Borrowings from Director and Related Parties	2,650.00	3,000.00	2,000.00
	Total	**6,741.20**	**6,910.30**	**3,361.18**

a) Working Capital borrowings from banks represent Cash Credit/Over draft facility with rate of interest as MCLR of respective banks plus spread ranging from 0.00% - 1.30% p.a. Buyers' Credit outstanding as on 31/3/2018 is taken for capital good imported and against Letter of Undertaking with rate of interest ranging from LIBOR/EURIBOR plus spread ranging from 0.27% p.a. to 0.40% p.a. These borrowings are repayable on demand.

b) Working Capital borrowings are Secured by way of first Hypothecation charge over Company's Raw Materials, Semi-Finished and Finished Goods, Consumable Stores and Book Debts by way of hypothecation.

18. TRADE PAYABLES

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) to outstanding dues of Micro Small and Medium Enterprises	-	-	-
(b) to outstanding dues of creditors other than Micro Enterprises and Small enterprises	18,096.30	3,971.60	529.36
Total	**18,096.30**	**3,971.60**	**529.36**

19. OTHER FINANCIAL LIABILITIES - CURRENT

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Security Deposits	3.31	1.00	-
(b) Interest accrued but not due on Borrowings	16.67	-	-
(c) Creditors for Project	9,932.55	7,285.91	42.21
(d) Others	41.00	-	-
Total	**9,993.53**	**7,286.91**	**42.21**

20 OTHER CURRENT LIABILITIES

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Advances received from Customer	0.88	-	-
(b) Statutory Dues	5.11	20.16	5.22
Total	**5.99**	**20.16**	**5.22**

21. OTHER NON- CURRENT LIABILITIES

	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 1, 2016 Rs. in Lakhs
(a) Export Obligations (Unexpired)	1,702.99	-	-
Total	**1,702.99**	**-**	**-**

Notes forming part of the Condensed Financial Statements

22 REVENUE FROM OPERATIONS

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(a) Sale of Products	19,985.88	13,655.44
(b) Other operating revenues		
- Duty Drawback received	0.08	-
- Insurance Claims	-	1.41
Total	**19,985.96**	**13,656.85**

23. OTHER INCOME

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(a) Interest Income	23.93	50.43
(b) Profit on sale of Investments	3.92	39.94
(c) Foreign Exchange Gain	-	87.86
Total	**27.85**	**178.23**

Notes forming part of the Condensed Financial Statements

24. PURCHASE OF TRADED GOODS

	For the Period March 31, 2018	For the Period March 31, 2017
Total	**19,098.69**	**16,284.83**

25. (INCREASE)/ DECREASE IN INVENTORIES

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
Inventories at the beginning of the year		
Traded Goods	2,649.08	15.18
	2,649.08	**15.18**
Less:		
Inventories at the end of the year		
Traded Goods	1,967.45	2,649.08
	1,967.45	**2,649.08**
Total	**681.63**	**(2,633.90)**

26. EMPLOYEE BENEFIT EXPENSES

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(a) Salaries & Wages	266.97	131.09
(b) Contribution to provident fund and other funds	7.99	5.56
(c) Gratuity Expenses (Refer Note No.36A(iv))	4.93	3.32
(d) Staff Welfare Expenses	7.67	13.50
Total	**287.55**	**153.47**

27. FINANCE COSTS

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(a) Interest on Borrowings	480.74	322.88
Total	**480.74**	**322.88**

28. DEPRECIATION AND AMORTISATION EXPENSES

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(a) Depreciation on Tangible assets	83.48	41.33
Less: Dep. On Porta Cabin Capitalized	16.00	-
	67.48	41.33
(b) Amortisation of Intangible assets	2.71	2.26
Total	**70.19**	**43.59**

29. OTHER EXPENSES

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(a) Other Selling Expenses	14.52	
(b) Conversion Charges	14.12	23.55
(c) Rent	17.19	7.18
(d) Repairs and maintenance to Others	0.17	-
(e) Insurance	11.56	21.16
(f) Rates & taxes	26.91	33.51
(g) Bank Charges	60.71	99.45
(h) Travelling & Conveyance	20.95	12.51
(i) Freight & Forwarding Charges	128.55	44.97
(j) Loss on sale of Asset	-	0.87
(k) Commission on sales	38.36	-
(l) SGST and CGST Expenses	0.31	-
(m) Provision for doubtful debts and advances (net)	51.16	(1.71)
(n) Vehicle Expenses	9.84	2.41
(o) General Expenses	100.70	64.91
(p) Payment to Auditor	11.16	3.23
(q) Director's Sitting Fees	3.16	1.55
(r) Custom Duty License Expenses	0.19	-
(s) Foreign Exchange Loss	0.10	-
(t) Share Issue Exepnses	0.40	175.95
Total	**510.06**	**489.54**

Note: Payment to Auditor

	For the Period March 31, 2018 Rs. in Lakhs	For the Period March 31, 2017 Rs. in Lakhs
(i) As Auditor:		
Audit fees	8.50	2.00
Tax Audit fees	1.00	0.50
(ii) Reimbursement of Expenses	1.66	0.73
Total	**11.16**	**3.23**

30 Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
I. Claims against the Company not acknowledged as debts in respects of:		
a) Bank Guarantees:		
-Financial & Performance	1,581.49	203.98
Total (I)	**1,581.49**	**203.98**
II. Commitments		
Capital Commitments (Net of Advances)	14,904.00	45,606.69
Total(II)	**14,904.00**	**45,606.69**
Total(I+II)	**16,485.49**	**45,810.67**

31 Tax Expense

A. Income Tax Expense Recognised in Profit or Loss

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
i) Current Tax		
Current tax on profit for the year	-	-
Adjustments for current tax of prior periods		
Total Current tax expense	**-**	**-**
ii) Deferred Tax		
(Decrease)/Increase in deferred tax liabilities		
Decrease/(Increase) in deferred tax assets	679.13	-
MAT Credit Entitlements		
Total Deferred tax expense/(benefit)	**679.13**	**-**
Income Tax Expense	**679.13**	**-**

B. The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Profit before taxes including other comprehensive income	(1,162.75)	(968.90)
Enacted income tax rate in India	30.90%	
Computed expected tax expense	(359.29)	-
Effect of:		
Income exempt from tax	-	-
Basis differences that will reverse during a tax holiday period	-	-
Income taxed at higher/ (lower) rates	-	-
Income taxes relating to prior years	(320.29)	-
Expenses disallowed for tax purposes	0.45	-
Others, net	-	-
Total income tax expense	**(679.13)**	**-**

32 Employee Benefit Obligations

A. Gratuity

The Company has covered its Gratuity Liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by Life Insurance Corporation of India. Under this plan, an employee at retirement is eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is the Plan Asset.

i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Balance at the beginning of the year	21.59	4.91
Current Service Cost	10.99	5.10
Interest Cost	1.58	0.40
Actuarial (gain)/losses	1.54	3.06
Benefits Paid	-	-
Liability Transferred	-	8.13
Curtailments	-	-
Settlements	-	-
Balance at the end of the year	35.70	21.59

ii) Reconciliation of opening and closing balances of Fair Value of Plan Assets:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Balance at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial gain/(losses)	-	-
Contribution by the Company	25.00	-
Benefits Paid	-	-
Settlements	-	-
Return on Plan Assets excluding interest income	1.04	-
Balance at the end of the year	**26.04**	-

iii) Assets and Liabilities Recognised in the Balance Sheet:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Present Value of Defined Benefit Obligation	35.70	21.59
Less: Fair Value of Plan Assets:	26.04	-
Less: Unrecognised Past Service costs		
Amounts recognised as liability	**9.66**	**21.59**
Recognised under:		
Long Term provision	-	21.36
Short Term provision	9.66	0.23
Total	**9.66**	**21.59**

iv) Expenses recognised in the Statement of Profit and Loss:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Current Service Cost	10.99	5.10
Net Interest Cost	1.58	0.40
Acturial Gain / Losses	-	3.06
Settlement - Project related transferred to CWIP	(7.64)	(8.21)
Total Expenses	**4.93**	**0.35**

v) Expenses recognised in the Other Comprehensive Income:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Actuarial gain/(losses) on Obligation for the period	(1.54)	(3.06)
Return on Plan assets, Excluding Interest Income	1.04	-
Gratuity capitalised in proportion to exp. booked in CWIP	0.36	2.97
Grauity recognised through Other Comprehensive Income	(0.14)	(0.09)
Unrealised Gain on Fair Value of Investments	-	-
Total Expenses recognised in OCI	**(0.14)**	**(0.09)**

vi) Major Category of Plan Assets

	As at	As at

Particulars	March 31, 2018 Rs. in Lakhs	March 31, 2018 %	March 31, 2017 Rs. in Lakhs	March 31, 2017 %
GOI Securites				
Public Securities				
State Government Securities				
Contribution to LIC	26.04	100	-	-
Others				

Risk exposure

The Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

vii) Actuarial Assumptions

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Discount Rate	7.87%	7.34%
Expected Return on Plan Assets	7.87%	NA
Salary Growth Rate	6.50%	6.50%
Attrition rate	2.00%	2.00%

viii) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade ,expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	As at March 31, 2018 %	As at March 31, 2017 %	As at March 31, 2018 Rs. in Lacs	As at March 31, 2017 Rs. in Lacs	As at March 31, 2018 Rs. in Lacs	As at March 31, 2017 Rs. in Lacs
Discount Rate	1.00%		(4.25)		5.08	
Salary Growth Rate	1.00%		5.09		(4.34)	
Attrition rate	1.00%		(0.20)		0.13	

In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the prior year.

B. Leave Encashment

a.) The Leave Encashment Benefit Scheme is a Defined Benefit Plan and is wholly unfunded. Hence, there are no plan assets attributable to the obligation.

b.) The accumulated balance of Leave Encashment (unfunded) provided in the books as at March 31, 2018, is Rs. 53.58 Lakhs (Previous Year Rs. 28.92 Lakhs), which is determined on actuarial basis using Projected Unit Credit Method.

c.) Principal Actuarial Assumptions:

Particulars	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.87%	7.34%

C. Defined Contribution Plan

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs
Employer's Contribution to Provident Fund	56.84	10.60

Expected Contribution for the next year	Rs. in Lakhs
Employer's Contribution to Provident Fund	65.00

33. Capital Management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business.

The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

For the purposes of Capital Management, the Company considers the following components of its Balance Sheet to manage capital.

The capital structure as of March 31, 2018 and 2017 was as follows:

Particulars	As at March 31, 2018 Rs. in Lakhs	As at March 31, 2017 Rs. in Lakhs	As at April 01, 2016 Rs. in Lakhs	% Change 2017-18	% Change 2016-17
Total Equity (A)	46,360.87	26,744.49	5,897.80	73.35	353.47
Current Loans & Borrowings	6,741.20	6,910.30	3,361.18	(2.45)	105.59
Non-Current Loans & Borrowings	45,749.93	8,124.18	-	463.13	
Total Loans & Borrowings (B)	52,491.14	15,034.48	3,361.18	249.14	347.30
As % of total equity	113.22	56.22	56.99		
Total Capital (A+B)	**98,852.01**	**41,778.97**	**9,258.98**	**136.61**	**351.23**

Loans and borrowings represented 113.22%, 56.22% and 56.99% of total capital as of March 31, 2018, March 31, 2017, and April 1, 2016 respectively.

The Total Interest coverage ratio for the reporting period was as follows :

(Rs. In Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
EBDITA	-611.69	-602.34
Interest	480.74	322.88
Interest Coverage Ratio	**-1.27**	**-1.87**

34 Financial Instruments

34.1. Categories of financial instruments

The carrying value of financial instruments by categories as of March 31, 2018 is as follows :

Particulars	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost
Financial Assets			
Cash and Cash Equivalents	-	-	1,529.63
Other Balances with Banks	-	-	-
Investments in Un Quoted Debt instruments	-	801.39	-
Unquoted investments (Level 3)	-	-	
Trade receivables	-	-	4,692.47
Loans	-	-	-
Other financial asset	-	-	186.22
Total	**-**	**801.39**	**6,408.32**

Financial Liabilities			
Short Term borrowings	-	-	6,741.20
Long Term borrowings	-	-	45,749.93
Trade Payables	-	-	18,096.30
Other financial liabilities	-	-	9,993.53
Total	**-**	**-**	**80,580.96**

The carrying value of financial instruments by categories as of March 31, 2017 is as follows :

Particulars	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost
Financial Assets			
Cash and Cash Equivalents	-	-	1,025.63
Other Balances with Banks	-	-	-
Investments in Un Quoted Debt instruments	-	1,100.00	-
Unquoted investments (Level 3)	-	-	-
Trade receivables	-	-	4,416.99
Loans	-	-	-
Other financial asset	-	-	292.56
Total	**-**	**1,100.00**	**5,735.18**
Financial Liabilities			
Short Term borrowings	-	-	6,910.30
Long Term borrowings	-	-	8,124.18
Trade Payables	-	-	3,971.60
Other financial liabilities	-	-	20.16
Total	**-**	**-**	**19,026.24**

34.2. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:
Level 1 – Quoted prices in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair Value Hierarchy as at 31.03.2018

Particulars	**(Rs. in lakhs)**			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Investments in Un Quoted Debt instruments	801.39	-	-	801.39
				-

Fair Value Hierarchy as at 31.03.2017

Particulars	**(Rs. in lakhs)**			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Investments in Un Quoted Debt instruments	1,100.00	-	-	1,100.00
				-

34.3. Financial Risk Management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, option contracts and interest swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

Item	Primarily effected by	Risk management policies	Reference
Market risk - currency risk	Foreign Currency balances and exposure towards trade payables, buyer's credit, exports, short-term and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts and option contracts.	Note 34.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 34.4.2
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations.	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 34.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 34.6

34.4 Market Risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:
• Foreign currency risk
• Interest rate risk
Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

34.4.1 Foreign Currency Risk management

The Company is exposed to foreign exchange risk on account of following:
1. Imports of raw materials and services.
2. Foreign currency borrowings in the form of buyers credit etc. availed for meeting its funding requirements.

The Company has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts, options contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Company follows netting principle for managing the foreign exchange exposure.

a. The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities			Assets		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
USD (lakhs)	229.66	58.43	25.64	-	-	-
INR (lakhs)	14,938.25	3,894.96	1,694.20	-	-	-
EURO (lakhs)	6.69	-	-	-	-	-
INR (lakhs)	539.48	-	-	-	-	-
GBP (lakhs)	0.02	-	-	-	-	-
INR (lakhs)	1.73	-	-	-	-	-
CHF (lakhs)	0.05	-	-	-	-	-
INR (lakhs)	3.62	-	-	-	-	-

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward, option contracts and interest rate swaps outstanding as at the Balance Sheet date:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Buy	Sell	Buy	Sell	Buy	Sell

Forward Contracts (USD in lakhs)	110.72	-	58.43	-	-	-
Forward Contracts (EUR in lakhs)	6.39	-	-	-	-	-

The forward and option contracts have been entered into to hedge the foreign currency risk on trade receivables and trade payables. The swap contracts have been entered into to hedge the interest rate risks on the external commercial borrowings of the Company.

c. Net open exposures outstanding as at the Balance Sheet date

Currency	Liabilities			Assets		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
USD (lakhs)	118.94	(0.00)	25.64	-	-	-
EURO (lakhs)	0.30	-	-	-	-	-
GBP (lakhs)	0.02	-	-	-	-	-
CHF (lakhs)	0.05	-	-	-	-	-

d. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a INR 1 increase and decrease against the US Dollar. INR 1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a INR 1 change in foreign currency rates. A positive number below indicates an increase in profit where the Rupee strengthens by INR 1 against the US Dollar. For a INR 1 weakening against the US Dollar, there would be a comparable impact on the profit.

Currency USD Impact on profit or loss	2017-18	2016-17	As at April 01, 2016
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Impact of INR 1 strengthening against US Dollar	(143.39)	(106.30)	(25.64)
Impact of INR 1 weakening against US Dollar	143.39	(106.31)	25.64

34.4.2 Interest Rate Risk management

The Company issues commercial papers, draws working capital demand loans, avails cash credit, foreign currency borrowings including buyers credit, Packing Credit etc. for meeting its funding requirements.
Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

a. Interest rate sensitivity analysis
The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.
If interest rate had been 25 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended 31 March 2018 would decrease/ increase by Rs. 131.27 lakhs (31 March 2017: Rs. 35.86 lakhs and 01 April, 2016 Rs. 6.36 lakhs)

34.5 Credit Risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.
Customer credit risk is managed by the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment through financial institutions. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken upon case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.
The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

34.6 Liquidity Risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

Rs. in lakhs

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Accouts payable	(18,096.30)	(18,096.30)	-	-	(18,096.30)
Borrowings	(52,491.14)	(6,741.20)	(3,360.00)	(42,389.94)	(52,491.14)
Foreign Currency Forward Contracts, option conracts and interest swaps	7,716.81	7716.81	-	-	7716.81
Trade receivables	4,692.47	4,641.32	51.15	-	4,692.47
Total	**(58,178.15)**	**(12,479.37)**	**(3,308.85)**	**(42,389.94)**	**(58,178.15)**

The table below provides details of financial assets as at March 31, 2018:

Rs. in lakhs

	Carrying amount
Loans	-
Other financial assets	186.22
Total	**186.22**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31 2017:

Rs. in lakhs

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Accouts payable	(3,971.60)	(3,971.60)	-	-	(3,971.60)
Borrowings	(15,034.48)	(6,910.30)	-	(8,124.18)	(15,034.48)
Foreign Currency Forward Contracts, option conracts and interest swaps	3,788.65	3,788.65	-	-	3,788.65
Trade receivables	4,416.99	4,416.99	-	-	4,416.99
Total	**(10,800.44)**	**(2,676.26)**	**-**	**(8,124.18)**	**(10,800.44)**

The table below provides details of financial assets as at March 31, 2017:

Rs. in lakhs

	Carrying amount
Loans	-
Other financial assets	292.56
Total	**292.56**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 01, 2016:

Rs. in lakhs

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Accouts payable	(529.36)	(529.36)	-	-	(529.36)
Borrowings	(3,361.18)	(3,361.18)	-	-	(3,361.18)
Foreign Currency Forward Contracts, option conracts and interest swaps	-	-	-	-	-
Trade receivables	1,684.76	1,684.76	-	-	1,684.76
Total	**(2,205.78)**	**(2,205.78)**	**-**	**-**	**(2,205.78)**

The table below provides details of financial assets as at April 01, 2016:

Rs. in lakhs

	Carrying amount

Loans	-
Other financial assets	193.56
Total	**193.56**

35. Leases

The Company has taken on lease a parcel of land from Gujarat Industrial Development Corporation for a period of 99 years with an option to extend the lease by another 99 years on expiry of lease at a rental that is 100% higher than the current rental. However, the Company has no specific obligation for renewal. The Company believes has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land, and has thus accounted for the same as finance lease.

36. Secondary Segment Information

The following table shows the distribution of the Company's Revenue and Assets by geographical market:

Revenue	**For the Period March 31, 2018 Rs. in Lakhs**	**For the Period March 31, 2017 Rs. in Lakhs**
In India	19,971.15	13,818.46
Outside India	42.65	16.62
TOTAL	**20,013.80**	**13,835.08**

Carrying Amount of Segment Assets	**For the Period March 31, 2018 Rs. in Lakhs**	**For the Period March 31, 2017 Rs. in Lakhs**
In India	128,713.92	53,108.15
Outside India	0.14	-
TOTAL	**128,714.06**	**53,108.15**

Addition to Fixed Assets	**For the Period March 31, 2018 Rs. in Lakhs**	**For the Period March 31, 2017 Rs. in Lakhs**
In India		
- Tangible	138.70	2,202.80
- Intangible	-	16.26
Outside India		
- Tangible	-	-
- Intangible	-	-
TOTAL	**138.70**	**2,219.06**

37. Earning Per Share

Particulars	**For the Period March 31, 2018 Rs. in Lakhs**	**For the Period March 31, 2017 Rs. in Lakhs**
Basic and Diluted Earning per Share		
Number of Shares at the beginning (Nos. in Lakhs)	2,500.00	618.44
Number of Shares at the end (Nos. in Lakhs)	2,800.00	2,500.00
Weighted Average Number of Shares considered for Basic Earning Per Share (Nos. in Lakhs)	2,779.45	1,319.24
Weighted Average Number of Shares considered for Diluted Earning Per Share (Nos. in Lakhs)	2,779.45	1,328.28
Net Profit after Tax available for Equity Shareholders (Rs. in Lakhs)	(483.62)	(960.36)
Basic Earning (in Rupees) Per Share of Rs. 10/- each.	(0.17)	(0.73)
Diluted Earning (in Rupees) Per Share of Rs. 10/- each.	(0.17)	(0.72)

38. Previous year's figures are shown in bracket and have been re-classified / regrouped to conform to Ind AS presentation requirements.

39. The Financial Statements were authorised for issue by the Board of Directors on 30th April,2018.

40. Transition to Ind AS

These are the first Financial Statements of the Company prepared in accordance with Ind AS.

The Accounting Policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2018, the comparative information presented in these Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 01, 2016 (the date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (IGAAP). An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company is set out in the following tables and notes:

A) Exemptions and exceptions availed

a) Ind AS optional exemptions

b) Ind AS mandatory exceptions

B) Reconciliations between IGAAP and Ind AS

Particulars	**As at March 31, 2017**			**As at April 01, 2016**		
	Regrouped IGAAP*	**Adjustments**	**Ind AS**	**Regrouped IGAAP***	**Adjustments**	**Ind AS**
	Rs. in Lakhs	**Rs. in Lakhs**	**Rs. in Lakhs**	**Rs. in Lakhs**	**Rs. in Lakhs**	**Rs. in Lakhs**
ASSETS						
Non- current assets						
Property, plant and equipment	2,219.06		2,219.06	61.90		61.90
Capital Work-in-Progress	30,846.26		30,846.26	2,161.74		2,161.74
Intangible Assets	14.00		14.00	-		-
Financial Assets				-		
Investments			-	-		-
Loans			-	-		-
Security Deposit	63.25		63.25	42.09		42.09
Other Non-Current assets	10,542.79		10,542.79	3,961.68		3,961.68
Total Non Current Assets	**43,685.36**	**-**	**43,685.36**	**6,227.41**	**-**	**6,227.41**
Current Assets						
Inventories	2,650.32	-	2,650.32	16.70	-	16.70
Financial Assets						
Investments	1,100.00		1,100.00	1,627.34	8.54	1,635.88
Trade receivables	4,416.99		4,416.99	1,684.76		1,684.76
Cash and cash equivalents	1,025.63		1,025.63	135.65		135.65
Other Financial Assets	229.31		229.31	150.55		150.55
Current Tax Assets(Net)	-		-	-		-
Other Current Assets	0.53		0.53	0.53		0.53
Total Current Assets	**9,422.78**	**-**	**9,422.78**	**3,615.53**	**8.54**	**3,624.07**
Total Assets	**53,108.15**	**-**	**53,108.15**	**9,842.93**	**8.54**	**9,851.47**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	28,000.00		28,000.00	6,184.41		6,184.41
Other Equity	(1,255.51)		(1,255.51)	(295.15)	8.54	(286.61)
Total Equity	**26,744.49**	**-**	**26,744.49**	**5,889.26**	**8.54**	**5,897.80**
Liabilities						
Non-current liabilities						
Financial Liabilities						
Borrowings	8,124.18		8,124.18	-		-
Provisions	43.58		43.58	12.83		12.83
Deferred tax liabilities (Net)			-			-
Total Non Current Liabilities	**8,167.76**	**-**	**8,167.76**	**12.83**	**-**	**12.83**
Current Liabilities						
Financial Liabilities						
Borrowings	6,910.30		6,910.30	3,361.18		3,361.18
Trade payables	3,991.76	-	3,991.76	534.57	-	534.57
Other Financial Liabilities	7,286.91		7,286.91	-		-
Provisions	6.93		6.93	2.88		2.88
Current Tax Liabilities(Net)			-	-		-
Other Current Liabilities	-		-	42.21	-	42.21
Total Current Liabilities	**18,195.90**	**-**	**18,195.90**	**3,940.84**	**-**	**3,940.84**
Total Liabilities	**26,363.66**	**-**	**26,363.66**	**3,953.67**	**-**	**3,953.67**
Total Equity and Liabilities	**53,108.15**	**-**	**53,108.15**	**9,842.93**	**8.54**	**9,851.47**

* The IGAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this Note.

II) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Particulars	For the period March 31, 2017		
	Regrouped IGAAP*	Adjustments	Ind AS
Revenue from Operations	13,656.85	-	13,656.85
Other Income	178.23	-	178.23
Total Income	**13,835.08**	**-**	**13,835.08**
Expenses			
Cost of materials consumed	-		-
Purchase of Traded Goods	16,284.83		16,284.83
Changes in inventories of finished goods, Stock-in-trade, Work-in-Progress	(2,633.90)		(2,633.90)
Excise duty on sale of goods	143.48		143.48
Employee benefits Expense	153.47	(0.09)	153.38
Power & Fuel Expenses			-
Finance costs	322.88		322.88
Depreciation and amortisation Expense	43.59		43.59
Other Expenses	489.54		489.54
Total Expenses	**14,803.89**	**(0.09)**	**14,803.80**
Profit before Exceptional and Extra-ordinary Items and Tax	**(968.81)**		**(968.81)**
Exceptional items	-		
Profit before tax	**(968.81)**	**(0.09)**	**(968.90)**
Tax expense:			
Current tax			-
Deferred tax			-
Total tax expenses	**-**	**-**	**-**
Profit for the period	**(968.81)**	**(0.09)**	**(968.90)**
Other comprehensive income:	**-**		**-**
Total comprehensive income for the year	**(968.81)**	**(0.09)**	**(968.90)**

* The IGAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this Note.

III) Notes to the reconciliations

a) Fair valuation of investments : Under IGAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in other equity and as part of 'Other reserves - FVOCI Equity instruments' at the date of transition and in the Statement of Profit and Loss for subsequent periods.

b) Unamortised Loan Processing fees : Under the IGAAP, unamortised processing fees on Term Loan were presented as part of current assets. Under Ind AS, in order to reflect Borrowings at amortised cost, the unamortised portion of processing fees is presented within the borrowings by netting off. There is no impact on the total equity or profit as a result of this adjustment.

c) Retained earnings: Retained earnings as at April 01, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

d) Remeasurement of gratuity recognised in other comprehensive income: Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset and are recognised in other comprehensive income. Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss.

e) Other Comprehensive Income: Under Ind AS, all items of income and expense recognised in a period are to be included in profit or loss for the period, unless a standard requires or permits otherwise. Items 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 which includes remeasurement of defined benefit plans and fair value gain | (loss) on FVOCI equity instruments. The concept of Other Comprehensive Income did not exist under IGAAP.

NOTES forming part of the Financial Statements as at and for the year ended March 31,2018

41 Related Party Disclosures:

A) Name of Related Party and nature of relationship

(i) Holding Company:

Deepak Nitrite Limited

(ii) Key Management Personnel

Shri Deepak C. Mehta	Chairman & Managing Director
Smt. Ila Mehta	Director
Shri Shripad P Gumaste	Director
Shri Sanjay B Upadhyay	Director
Shri Sandesh K Anand	Director
Shri Rajiv M Pandya	Director
Shri P K Taneja	Additional Director

(iii) Entities over which key managerial personnel or their relatives are able to exercise significant influence

Check Point Credits & Capital Private Limited * Deepak Cybit Private Limited * Deepak Fertilizers and Petrochemicals Corporation Limited *Deepak Gulf LLC, Sultanate of Oman* Deepak Foundation * Deepak International Limited * Deepak Medical Foundation * Deepak Research and Development Foundation * Deepak Novochem Technologies Limited. * Forex Leafin Private Limited * Hardik Leafin Private Limited * Pranawa Leafin Private Limited * Skyrose Finvest Private Limited * Sofotel Infra Private Limited * Stepup Credits & Capital Private Limited * Stiffen Credits and Capital Private Limited * Stigma Credit & Capital Private Limited * Sundown Finvest Private Limited

(iv) Relative of Key Management Personnel

Shri C.K.Mehta

Shri A.C.Mehta

Shri Meghav D. Mehta

Smt. Ila Mehta

B) Transaction with Related Parties

(Rs. in Lakhs)

Sr. No.	Nature of Transaction	31st March, 2018 Holding Company	31st March, 2018 Key Managerial Person	31st March, 2018 Entities over which key managerial personnel or their relatives are able to excerise significant influence	31st March, 2018 TOTAL	31st March, 2017 Holding Companies	31st March, 2017 Key Managerial Person	31st March, 2017 Entities over which key managerial personnel or their relatives are able to excerise significant influence	31st March, 2017 TOTAL
1	**Receiving of services / Reimbursement of Expenses**								
	Deepak Nitrite Limited	643.56	-	-	643.56	213.18	-	-	213.18
	Deepak Nitrite Limited	26.25		-	26.25	-	-	-	-
	Deepak Cybit Pvt Ltd	-	-	17.10	17.10	-	-	0.28	0.28
	Deepak Medical Foundation	-	-	3.62	3.62	-	-	0.36	0.36

		31st March, 2018				31st March, 2017			
Sr. No.	Nature of Transaction	Holding Company	Key Managerial Person	Entities over which key managerial personnel or their relatives are able to excerise significant influence	TOTAL	Holding Companies	Key Managerial Person	Entities over which key managerial personnel or their relatives are able to excerise significant influence	TOTAL
2	**Purchase of Goods & goods clearance services**								
	Deepak Fertilizer & Petro Chemicals Corp Ltd	-	-	2,167.60	2167.60	-	-	2,151.88	2151.88
3	**Purchase of capital assets**								
	Deepak Nitrite Limited								
	- Land	-	-	-	-	1,597.43	-	-	1,597.43
	- Compound Wall	87.02	-	-	87.02	-	-	-	-
4	**Sales of Material/Providing of Services**								
	Deepak Nitrite Ltd.					-			
	Sales of Material (Cumene)	(422.75)	-	-	(422.75)	-	-	-	-
	Services	(1.77)	-	-	(1.77)				
	Deepak Novochem Technologies Ltd.	-	-	-	-	-	-	-	-
	Rental Income (Office Rent)	-	-	(0.11)	(0.11)	-	-	-	-
5	**Application money received, pending allotment & Equity Contribution**								
	Deepak Nitrite Limited								
	Equity Share Capital	-	-	-	0.00	21,815.59	-	-	21,815.59
	Preference Share Capital	15,100.00	-	-	15100.00	-	-	-	-
	Preference Share Application Money	5,000.00	-	-	5000.00	-	-	-	-
6	**Loan received**								
	Deepak C Mehta- Loan	-	-	-	-	-	700.00	-	700.00
	Storewell Credits and Capital Pvt Ltd.	-	-	-	-	-	-	2,300.00	2300.00
7	**Interest Paid**								
	Deepak C Mehta- Interest	-	72.59	-	72.59	-	38.66	-	38.66
	Storewell Credits and Capital Pvt Ltd.	-	-	241.50	241.50	-	-	147.75	147.75
8	**Net Accounts Receivable / (Payable)**								
	Deepak Nitrite Limited	412.61	-	-	412.61	(1,615.10)	-	-	(1,615.10)
	Deepak C Mehta	-	(350.00)	-	(350.00)	-	(700.00)	-	(700.00)
	Deepak Cybit Ltd.	-		(2.50)	(2.50)	-	-	-	
	Storewell Credits and Capital Pvt Ltd	-		(2,300.00)	(2,300.00)	-	-	(2,300.00)	(2,300.00)

		31st March, 2018				31st March, 2017			
Sr. No.	Nature of Transaction	Holding Company	Key Managerial Person	Entities over which key managerial personnel or their relatives are able to excerise significant influence	TOTAL	Holding Companies	Key Managerial Person	Entities over which key managerial personnel or their relatives are able to excerise significant influence	TOTAL
	Deepak Novachem Technologies Ltd.	-	-	(0.31)	(0.31)	-	-	-	-
	Deepak Medical Foundation	-	-	15.00	15.00	-	-	-	-

As per our report of even date

For and on behalf of the Board

For
M/s B.K. Khare & Co.
Chartered Accountants
Firm Registration No. - 105102W

Ravi Kapoor
Partner
Membership No. 040404

Mumbai: April 30, 2018

D. C. Mehta
Chairman & Managing Director

Sanjay Upadhyay
Director

Shripad Gumaste
Director

Sandesh Anand
Director

Ajay Jajoo
Chief Financial Officer

Arvind Bajpai
Company Secretary

Vadodara: April 30, 2018