Notes forming part of the financial statements

Note **Particulars**

1. CORPORATE INFORMATION

Eveready Industries India Limited ("the Company") is in the business of manufacture and marketing of batteries, flashlights and packet tea under the brand name of "Eveready". The Company also distributes a wide range of electrical products and small home appliances. The Company has also entered into confectionery business through launch of fruit jellies under the brand name "Jollies".The Company is a Public Limited Company incorporated and domiciled in India with its registered office at 1, Middleton Street, Kolkata 700071. Eveready has its manufacturing facilities at Lucknow, Noida, Haridwar, Maddur, Kolkata and Goalpara (Assam) and is supported by a sales and distribution network across the country.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except for the following:

(i) certain financial instruments that are measured at fair value

(ii) assets held for sale-measured at lower of carrying amount and fair value less cost to sell and

(iii) defined benefit plans- 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 market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these 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 categorised 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 Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

The Company has adopted the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

a) Ind AS 115- Revenue from Contracts with Customers

b) Appendix B, Foreign Currency transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange rates

2.3 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates have been used in provision for warranties, provision for employee benefits, allowance for expected credit loss on financial assets and useful lives of property, plant and equipment.

Notes forming part of the financial statements

Note **Particulars**

2.4 Revenue recognition

Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers", using the modified retrospective approach which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 was insignificant on the financial statements of the Company.

Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognised when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognised depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods and services.

Sale of goods

The Company manufactures and markets batteries, flashlights and packet tea under the brand name of "Eveready". The Company also distributes a wide range of electrical products and small home appliances. The Company has also entered into confectionery business through launch of fruit jellies under the brand name "Jollies". Revenue from sale of goods is recognised when control of the products has transferred, being when the products are despatched to the customers and the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. A receivable is recognised when the goods are despatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue includes excise duty but exclude sales tax and value added tax upto the period ended June 30, 2017.The Government of India introduced Goods and Service Tax (GST) with effect from July 1, 2017 which subsumed Excise Duty and other indirect taxes. Consequently, revenue for the period post July 1, 2017 excludes GST.

Unfulfilled Performance Obligations

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. The management estimates the stand-alone selling price per unit on the basis of providing cost of such benefit. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidents. To the extent these benefits are not settled/ disbursed till the end of a reporting period these are recorded. Contract liability is recognised until the benefit is provided which is expected to be less than 12 months.

Interest income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

2.5 Foreign currency transactions and translations

The functional currency of the Company is Indian rupee (₹).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Effective April 1, 2018 the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense, income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Notes forming part of the financial statements

Note	Particulars

2.6 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

2.7 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.8 Employee benefits

2.8.1 Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current (creditors for accrued wages and salaries) in Balance Sheet.

2.8.2 Post - employment benefits

Defined Benefit Plans:

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

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity. Changes in the present value of the defined benefit obligations resulting from plan ammendments or curtailments are recognisied immediately in profit or loss as past service cost.

Defined Contribution Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

2.8.3 Other long-term employee benefits

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

Notes forming part of the financial statements

Note **Particulars**

2.9 Income tax

2.9.1 Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences of items only to the extent that it is probable that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Depreciation:

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Factory building - 25 years

Plant and equipment (other than moulds-3 shifts) - 20 years

Plant and equipment (other than moulds-2 shifts) - 26.67 years

Plant and equipment (other than moulds-1 shift) - 40 years

Moulds - 3 years

Vehicles - 3 years

Leasehold land is amortised over the duration of the lease.

Freehold land is not depreciated, except for improvements to the land included therein.

The estimated useful lives of the assets,residual values and depreciation method are reviewed regularly and are revised, whenever necessary.

Notes forming part of the financial statements

Note **Particulars**

Capital work-in-progress:

Projects under which assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is derecognised upon disposal 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/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 profit or loss.

2.11 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising thereon (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.12 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Intangible assets under development

Expenditure on research and development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Patent and trademark are amortised over their legal term or working life, whichever is shorter.

Computer software is amortised over the life of the software license ranging from one year to six years

2.13 Impairment of tangible and intangible assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. However, the following intangible assets are tested for impairment in each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor, that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

Notes forming part of the financial statements

Note **Particulars**

2.14 Inventories

Inventories of raw materials and stores and spare parts are valued at the lower of weighted average cost and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Work-in-progress and finished goods are valued at lower of cost and net realisable value where cost is worked out on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges alongwith appropriate proportion of overheads and, where applicable, excise duty.

Net realizable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

2.15 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Warranties

Provisions for service warranties and returns are recognised when the Company has a present 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 measured.

2.16 Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Bank overdraft and cash credit are also considered as part of cash and cash equivalents for the purpose of statement of cash flows.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.19 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

Notes forming part of the financial statements

Note	Particulars

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

2.19.1 Financial assets

Classfication

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

(i) those measured at amortised cost and

(ii) those to be measured subsequently at fair value (through profit and loss).

a. Financial assets at amortised cost

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

b. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss where it is not measured at amortised cost.

c. Investment in subsidiaries and associate

Investment in subsidiaries and associate are measured at cost as per Ind AS 27 - Separate Financial Statements and Ind AS 28 - Investments in Associates and Joint Ventures.

d. Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

e. Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

2.19.2 Financial liabilities and equity

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.

a Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

b. Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Notes forming part of the financial statements

Note **Particulars**

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

c. Derecognition of financial liabilities

The Company derecognises financial liabilities only when the Company's obligations are discharged, cancelled or they expire.

d. Hedge instruments

The Company uses hedge instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

The Company uses certain forward foreign exchange contracts as hedge instruments in respect of foreign exchange fluctuation risk. These hedge contracts do not generally extend beyond 6 months.

These hedges are accounted for and measured at fair value from the date the hedge contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The fair values for forward currency contracts are marked-to-market at the end of each reporting period.

The Company also uses certain future and option contracts as hedge instruments in respect of commodity price fluctuation risk. These hedge instruments are accounted for as cash flow hedges.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portion of designated hedges are recognised immediately in the Statement of Profit and Loss.

The effective portion of change in the fair value of the designated hedge instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedge reserve as a separate component of equity. Such amounts are reclassified into the Statement of Profit and Loss when the related hedged items affect profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in profit or loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

2.20 Recent accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time, a financial liability representing the future obligation will be recognised.

Ind AS 116 will be effective from April 1, 2019. The Company is currently assessing the impact of the new standard and expects material impact to the assets and liabilities recognised in the standalone financial statements as well as the statement of Profit and Loss.

Notes forming part of the financial statements

Note	Particulars

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of :		
Freehold land	6,036.55	6,840.68
Buildings	11,406.72	11,992.53
Plant and equipment	14,711.55	15,308.94
Furniture and fixture	473.52	515.44
Vehicles	108.52	166.69
Office equipment	474.65	596.55
Sub-total	**33,211.51**	**35,420.83**
Capital work-in-progress	474.25	276.87
Total	**33,685.76**	**35,697.70**

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixture	Vehicles	Office equipment	Total	Capital work-in-progress
Cost								
Balance as at April 1, 2017	**7,171.52**	**11,061.18**	**16,449.57**	**470.02**	**205.78**	**425.14**	**35,783.21**	**318.32**
Additions	-	2,208.99	1,483.26	212.97	132.35	449.32	4,486.89	4,563.29
Disposals/ Transfer	(279.65)	(25.46)	(3.52)	(39.08)	(0.37)	(1.81)	(349.89)	(4,604.74)
Balance as at March 31, 2018	**6,891.87**	**13,244.71**	**17,929.31**	**643.91**	**337.76**	**872.65**	**39,920.21**	**276.87**
Additions	-	374.50	518.41	32.68	14.35	48.63	988.57	1,112.51
Disposals/ Transfer	(221.51)	-	(80.45)	(3.23)	(7.58)	(0.37)	(313.14)	(915.13)
Transferred to Assets classified as held for sale	(571.91)	(334.27)	-	-	-	-	(906.18)	0.00
Balance as at March 31, 2019	**6,098.45**	**13,284.94**	**18,367.27**	**673.36**	**344.53**	**920.91**	**39,689.46**	**474.25**
Accumulated depreciation								
Balance as at April 1, 2017	**34.13**	**693.77**	**1,582.01**	**76.15**	**102.94**	**173.12**	**2,662.12**	**-**
Elimination on disposals	-	(0.49)	(0.03)	(0.45)	-	(0.27)	(1.24)	-
Depreciation expense	17.06	558.90	1,038.39	52.77	68.13	103.25	1,838.50	-
Balance as at March 31, 2018	**51.19**	**1,252.18**	**2,620.37**	**128.47**	**171.07**	**276.10**	**4,499.38**	**-**
Elimination on disposals	-	-	(2.06)	(0.42)	-	-	(2.48)	-
Depreciation expense	10.71	637.60	1,037.40	71.79	64.94	170.16	1,992.60	-
Transferred to Assets classified as held for sale	-	(11.56)	-	-	-	-	(11.56)	-
Balance as at March 31, 2019	**61.90**	**1,878.22**	**3,655.71**	**199.84**	**236.01**	**446.26**	**6,477.94**	**-**
Carrying amount								
Balance as at April 1, 2017	**7,137.39**	**10,367.41**	**14,867.56**	**393.87**	**102.84**	**252.02**	**33,121.09**	**318.32**
Additions	-	2,208.99	1,483.26	212.97	132.35	449.32	4,486.89	4,563.29
Disposals/ Transfer	(279.65)	(24.97)	(3.49)	(38.63)	(0.37)	(1.54)	(348.65)	(4,604.74)
Depreciation expense	(17.06)	(558.90)	(1,038.39)	(52.77)	(68.13)	(103.25)	(1,838.50)	-
Balance as at March 31, 2018	**6,840.68**	**11,992.53**	**15,308.94**	**515.44**	**166.69**	**596.55**	**35,420.83**	**276.87**
Additions	-	374.50	518.41	32.68	14.35	48.63	988.57	1,112.51
Disposals/ Transfer	(221.51)	-	(78.40)	(2.81)	(7.58)	(0.37)	(310.67)	(915.13)
Depreciation expense	(10.71)	(637.60)	(1,037.40)	(71.79)	(64.94)	(170.16)	(1,992.60)	-
Transferred to Asset classified as held for sale (Refer Note 14)	(571.91)	(322.71)	-	-	-	-	(894.62)	-
Balance as at March 31, 2019	**6,036.55**	**11,406.72**	**14,711.55**	**473.52**	**108.52**	**474.65**	**33,211.51**	**474.25**

Notes forming part of the financial statements

Note **Particulars**

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS (CONTD.)

Property, plant and equipment pledged as security

Freehold land and buildings with a carrying amount of ₹ 9,080.35 Lakhs (as at March 31,2018: ₹ 9,529.05 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 17 and 21).

Plant and equipments, furniture and fixtures, vehicles and office equipments with a carrying amount of ₹ 10,284.43 Lakhs (as at March 31,2018: ₹ 10,362.96 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 17 and 21).

Freehold land and building includes a carrying value of ₹ 92.05 Lakhs (as at March 31,2018: ₹ 92.05 Lakhs) and ₹ 387.35 lakhs (as at March 31,2018: ₹ 447.06 Lakhs) respectively located at Maddur which is in the name of the erstwhile Company which was merged with the Company under Section 391 to 394 of the Companies Act,1956 in terms of the approval of the Honourable High Court(s) of judicature.

4. INVESTMENT PROPERTY

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Investment property		
Freehold land	2.73	2.73
Buildings	2.91	2.91
Total	**5.64**	**5.64**

₹ Lakhs

Particulars	Freehold land	Buildings	Total
Cost			
Balance as at April 1, 2017	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**2.73**	**2.91**	**5.64**
Accumulated depreciation			
Balance as at April 1, 2017	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**-**	**-**	**-**
Carrying amount			
Balance as at April 1, 2017	**2.73**	**2.91**	**5.64**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2018	**2.73**	**2.91**	**5.64**
Additions			
Disposals	-	-	-
Balance as at March 31, 2019	**2.73**	**2.91**	**5.64**

Fair value of the Company's investment property

The Company has identified its unused Freehold land and building at Plot No. 8, Industrial Park, Moula-Ali, Hyderabad, as Investment property. The fair value of such property at Hyderabad has been derived using the market comparable rate of the surrounding area as at March 31, 2019 and March 31, 2018 on the basis of a valuation carried out as on the respective dates by an independent valuer not related to the Company. The independent valuer is Government registered valuer and have appropriate qualifications and experience in the valuation of properties.

Notes forming part of the financial statements

Note **Particulars**

4. INVESTMENT PROPERTY (CONTD.)

Details of the Company's investment property and information about the fair value hierarchy as at March 31,2019 and March 31,2018 are as follows:

₹ Lakhs

Particulars	Fair value As at March 31, 2019	Fair value As at March 31, 2018	Fair value hierarchy (Levels)
Industrial unit located in India, Hyderabad			
- Freehold land and building including compounded wall	10,525.95	10,525.95	Level 3
Total	**10,525.95**	**10,525.95**	

5. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of :		
Computer software	1,044.66	317.06
Purchased brand	*	*
Patent / Trademark	*	*
Sub-total	**1,044.66**	**317.06**
Intangible assets under development	-	6.55
Total	**1,044.66**	**323.61**

₹ Lakhs

Particulars	Computer software	Purchased brand	Patent/ Trademark	Total Intangible Assets	Intangible assets under development
Cost					
Balance as at April 1, 2017	**506.64**	*	*	**506.64**	**321.66**
Additions	113.80	-	-	113.80	-
Disposals/ Transfer		-	-	-	(315.11)
Balance as at March 31,2018	**620.44**	*	*	**620.44**	**6.55**
Additions	918.69	-	-	918.69	1,038.11
Disposals/ Transfer	-	-	-	-	(1,044.66)
Balance as at March 31,2019	**1,539.13**	*	*	**1,539.13**	**-**
Accumulated depreciation and impairment					
Balance as at April 1, 2017	**217.59**	**-**	**-**	**217.59**	**-**
Amortisation expense	85.79	-	-	85.79	-
Elimination on disposals	-	-	-	-	-
Balance as at March 31,2018	**303.38**	**-**	**-**	**303.38**	**-**
Amortisation expense	191.09	-	-	191.09	-
Elimination on disposals	-	-	-	-	-
Balance as at March 31,2019	**494.47**	**-**	**-**	**494.47**	**-**
Carrying amount					
Balance as at April 1, 2017	**289.05**	*	*	**289.05**	**321.66**
Additions	113.80	-	-	113.80	-
Disposals/ Transfer	-	-	-	-	(315.11)
Amortisation expense	(85.79)	-	-	(85.79)	-
Balance as at March 31, 2018	**317.06**	*	*	**317.06**	**6.55**
Additions	918.69	-	-	918.69	1,038.11
Disposals/ Transfer	-	-	-	-	(1,044.66)
Amortisation expense	(191.09)	-	-	(191.09)	-
Balance as at March 31,2019	**1,044.66**	*	*	**1,044.66**	**-**

* Below rounding off norms of the Company

Notes forming part of the financial statements

Note **Particulars**

6. NON-CURRENT INVESTMENTS

₹ Lakhs

Particulars	As at March 31, 2019			As at March 31, 2018		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investment in equity instruments						
(i) Investment in subsidiaries (at cost)						
- Greendale India Ltd. (formerly known as Litez India Ltd.)	-	5.00	5.00	-	5.00	5.00
50,000 equity shares of ₹10 each						
(As at March 31, 2018 : 50,000 equity shares of ₹10 each)						
- Everspark Hong Kong Pvt Ltd.	-	260.61	260.61	-	260.61	260.61
32,66,604 ordinary shares of HK$1 each						
(As at March 31, 2018 : 32,66,604 ordinary shares of HK$1 each)						
(ii) Investment in Associate (at cost)						
- Preferred Consumer Products Private Limited	-	750.00	750.00	-	-	-
750,000 equity shares of ₹ 10 each						
(As at March 31, 2018: Nil)						
(iii) Investment in others- McLeod Russel India Ltd (at fair value through profit and loss)						
40 equity shares of ₹ 5 each						
(As at March 31, 2018: 40 equity shares of ₹ 5 each)	0.03	-	0.03	0.06	-	0.06
Total	**0.03**	**1,015.61**	**1,015.64**	**0.06**	**265.61**	**265.67**
Aggregate carrying value of quoted investments			*			*
Aggregate market value of quoted investments			0.03			0.06
Aggregate carrying value of unquoted investments			1,015.61			265.61
Aggregate amount of impairment in value of investment			-			-
* Below rounding off norms of the Company						

7. LOANS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
At amortised cost				
(a) Loans to related parties (Refer note below)				
Unsecured, considered good	-	161.91	-	150.88
Doubtful	-	-	-	-
	-	161.91	-	150.88
Less: Allowance for doubtful loans	-	-	-	-
	-	**161.91**	**-**	**150.88**
(b) Loans to employees				
Unsecured, considered good	113.19	52.19	127.52	71.97
(c) Loans to others				
Unsecured, considered good	-	22,916.42	-	8,733.69
Total	**113.19**	**23,130.52**	**127.52**	**8,956.54**

Loans amounting to ₹ 23,130.52 Lakhs (as at March 31,2018: ₹ 8,956.54 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

Note: Loans include amounts due from: (Refer Note 34.7)

Notes forming part of the financial statements

Note	Particulars

7. LOANS (CONTD.)

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Subsidiary	-	161.91	-	150.88
Total	**-**	**161.91**	**-**	**150.88**

8. OTHER FINANCIAL ASSETS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
At amortised cost				
(a) Security deposits				
Unsecured, considered good	627.75	2,024.31	731.75	102.98
(b) Others Claims (includes fiscal benefit receivable for Assam plant, receivable from supplier,etc)				
Unsecured, considered good	48.91	2,619.08	43.78	4,311.63
Total	**676.66**	**4,643.39**	**775.53**	**4,414.61**

Other financial assets amounting to ₹ 4,643.39 Lakhs (as at March 31,2018: ₹ 4,414.61 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

9. NON-CURRENT TAX ASSETS (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax [net of income-tax payable ₹ 4,060.85 Lakhs] (As at March 31, 2018 ₹ 2,704.79 Lakhs)	943.76	706.62
Total	**943.76**	**706.62**

10. OTHER ASSETS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Unsecured, considered good unless other wise stated				
(i) Prepaid expenses	1,180.78	352.74	1,212.28	352.61
(ii) Employee benefit assets				
- Gratuity fund (Refer Note 34.5)	900.89	-	918.82	-
- Pension fund (Refer Note 34.5)	67.38	-	274.79	-
(iii) Capital advances	6,270.17	-	158.13	-
(iv) CENVAT / VAT/ Service tax / GST recoverable	216.78	3,835.79	198.93	4,803.42
(v) Deposit with port authority	-	122.72	-	306.91
(vi) Other loans and advances				
(a) Advance for supplies and services	-	2,414.83	-	1,052.62
(b) Advance to related party	-	37.74	-	29.85

Notes forming part of the financial statements

Note **Particulars**

10. OTHER ASSETS (CONTD.)

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	**Current**	**Non-current**	**Current**
(c) Others (including travel advance, etc.)	18.01	73.78	26.74	57.30
	18.01	2,526.35	26.74	1,139.77
Total	**8,654.01**	**6,837.60**	**2,789.69**	**6,602.71**

Other assets amounting to ₹ 3,753.33 Lakhs (net of GST liability ₹ 3,084.27 Lakhs) (as at March 31,2018: ₹ 3,154.73 Lakhs net of GST liability ₹ 3,447.98 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

11. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Raw materials	7,487.93	7,722.23
Goods-in-transit	1,081.48	1,270.55
	8,569.41	**8,992.78**
(b) Work-in-progress	3,824.16	4,499.49
(c) Finished goods (other than those acquired for trading)	5,509.88	7,084.84
(d) Stock-in-trade (acquired for trading)	6,730.20	8,755.75
(e) Stores and spares	646.48	678.06
Total	**25,280.13**	**30,010.92**

The cost of inventories recognised as an expense includes ₹ 134.62 Lakhs (for the year ended March 31, 2018 ₹ 469.33 Lakhs) in respect of write-down of inventory on account of obsolecence/adjustments. There has also been reversals of write-down by ₹ 143.71 Lakhs (for the year ended March 31,2018 ₹ 0.73 Lakhs)

The mode of valuation of inventories has been stated in Note 2.14

Inventories amounting to ₹ 25,280.13 Lakhs (as at March 31,2018: ₹ 30,010.92 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

12. TRADE RECEIVABLES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables		
Unsecured, considered good	10,529.80	12,060.57
Doubtful	605.43	509.51
	11,135.23	**12,570.08**
Less: Allowance for doubtful trade receivables (expected credit loss allowance) - Refer (i) below	605.43	509.51
Total	**10,529.80**	**12,060.57**

The average credit period on sale of goods is 24 days. No element of financing is deemed present and the sales are generally made with an average credit term of 24 days, which is consistent with market practice. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the cutomer exceeds 1 year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Customers seeking appointment to dealership are approved by the Regional Head of Sales for a channel after completing the Customer Business Data Form, alongwith all necessary documents. New customers are usually on advance payment terms for three months. Customers seeking supply on credit after the stipulated period are extended the facility after evaluation by the Regional Head of Sales for the channel alongwith the Regional Commercial Manager. Sufficient proof of solvency has to be provided by the customer seeking credit. The credit limits are reviewed once every year in April.

Notes forming part of the financial statements

Note	Particulars

12. TRADE RECEIVABLES (CONTD.)

₹ Lakhs

Debtors ageing	As at March 31, 2019	As at March 31, 2018
Within the credit period	7,008.76	7,709.05
1-30 days past due	1,805.93	2,589.19
31-60 days past due	691.50	1,076.59
61-90 days past due	319.78	519.07
More than 90 days past due	1,309.26	676.18
Total	**11,135.23**	**12,570.08**

(i) The Company's maximum exposure to credit risk with respect to customers as at March 31, 2019 ₹ 605.43 lakhs (as at March 31, 2018: ₹ 509.51 lakhs), which is the fair value of trade receivables less impairment loss as shown below. There is no concentration of credit risk with respect to any particular customer.

Trade receivables amounting to ₹ 10,529.80 Lakhs (as at March 31,2018: ₹ 12,060.57 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

Movement in the allowances for doubtful trade receivables (expected credit loss allowance)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	509.51	350.59
Movement in expected credit loss allowance on trade receivables	95.92	158.92
Balance at end of the year	**605.43**	**509.51**

13. CASH AND CASH EQUIVALENTS AND OTHER BALANCES WITH BANKS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Cash and cash equivalents		
(a) Cash in hand	12.77	12.24
(b) Balances with banks		
- In current accounts	456.45	338.64
Total (A)	**469.22**	**350.88**
B. Other balances with banks		
In earmarked accounts		
(i) Unpaid dividend accounts	42.89	36.16
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	8.10	20.74
Total (B)	**50.99**	**56.90**
Total cash and bank balances (A+B)	**520.21**	**407.78**

Cash and cash equivalents amounting to ₹ 520.21 Lakhs (as at March 31,2018: ₹ 407.78 Lakhs) have been pledged to secure borrowings of the Company (Refer Note 21).

14. ASSET CLASSIFIED AS HELD FOR SALE

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Land	571.91	-
Building	322.71	-
Total	**894.62**	**-**

The Company entered into an Agreement for Sale on December 05, 2018 with M/s Alwarpet Properties Pvt. Ltd. for sale of its land situated at Tiruvottiyur, Chennai for a consideration of ₹ 10,000 Lakhs, out of which an amount of ₹ 5,000 Lakhs has been received during the year (Refer Note 23).

Land and building classified as held for sale is measured at lower of its carrying amount and fair value less costs to sell.

Notes forming part of the financial statements

Note **Particulars**

15. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs
(a) Authorised				
Equity shares of ₹ 5 each with voting rights	21,15,60,000	10,578.00	21,15,60,000	10,578.00
(b) Issued				
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36
(c) Subscribed and fully paid up				
Equity shares of ₹ 5 each with voting rights	7,26,87,260	3,634.36	7,26,87,260	3,634.36
Total	**7,26,87,260**	**3,634.36**	**7,26,87,260**	**3,634.36**

Refer Notes (i), (ii) and (iii) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Additions during the year	Deletions during the year	Closing balance
Equity shares with voting rights				
Year ended March 31, 2019				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36
Year ended March 31, 2018				
- Number of shares	7,26,87,260	-	-	7,26,87,260
- Amount (₹ Lakhs)	3,634.36	-	-	3,634.36

(ii) Terms / rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Williamson Magor & Co Ltd.	1,70,30,741	23.43%	1,70,07,841	23.40%
Williamson Financial Services Ltd.	63,90,988	8.79%	63,70,988	8.76%
Bishnauth Investments Limited	41,48,246	5.71%	41,48,246	5.71%
DSP Blackrock Micro Cap Fund	1,27,174	0.17%	46,32,608	6.20%
Franklin Templeton Investment Funds	47,71,914	6.57%	34,09,258	4.69%
Amansa Holdings Private Limited	27,96,887	3.85%	40,00,000	5.55%

Notes forming part of the financial statements

Note	Particulars

16. OTHER EQUITY

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve	12,356.60	12,356.60
Securities premium reserve	16,412.11	16,412.11
Development allowance reserve	3.50	3.50
Amalgamation reserve	300.42	300.42
Retained earnings and other comprehensive income	4,961.90	1,719.83
Total	**34,034.53**	**30,792.46**

16.1 Capital reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	12,356.60	12,356.60
Movement during the year	-	-
Balance at end of year	**12,356.60**	**12,356.60**

Capital reserve represents a resource created by accumulated capital surplus and remains invested in the business not to be distributed as dividends.

16.2 Securities premium reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	16,412.11	16,412.11
Movement during the year	-	-
Balance at end of year	**16,412.11**	**16,412.11**

Securities premium reserve is used to record the premium on issue of shares. The reserve is maintained for utilisation in accordance with the provisions of the Companies Act, 2013.

16.3 Development allowance reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	3.50	3.50
Movement during the year	-	-
Balance at end of year	**3.50**	**3.50**

Development allowance reserve pertains to erstwhile McLeod Russel (India) Limited (MRIL), which was added to the equity of the Company as at April 1, 1996 consequent to the amalgation of MRIL and Faith Investments Limited with the Company.

Notes forming part of the financial statements

Note **Particulars**

16. OTHER EQUITY (CONTD.)

16.4 Amalgamation reserve

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at beginning of year	300.42	300.42
Movement during the year	-	-
Balance at end of year	**300.42**	**300.42**

The amalgamation reserve was created on April 1, 2007 during the amalgamation of the erstwhile Powercell Battery India Limited (PBIL) with the Company. This represents the difference between the paid up share capital of erstwhile PBIL and the value of investments of the Company in erstwhile PBIL.

16.5 Retained earnings and Other Comprehensive Income

₹ Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Balance at the beginning of the year	1,719.83	(3,773.83)
Profit for the year	4,725.79	5,473.57
Ind AS 115 Adjustment (Refer Note 34.4)	(295.41)	-
Adjustment of Foreign currency translation reserve	-	0.07
Other comprehensive income arising from remeasurement gain on defined benefit plans net of income tax	126.12	20.02
Payment of final dividend on equity shares [₹ 1.50 per share (Previous year ₹ NIL per share)]	(1,090.31)	-
Payment of dividend distribution tax on final dividend	(224.12)	-
Balance at the end of the year	**4,961.90**	**1,719.83**

17. NON-CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Term loans- at amortised cost		
From banks (Secured)		
ICICI Bank Ltd.	3,001.96	-
HDFC Bank Ltd.	4,494.78	6,738.74
DCB Bank Ltd.	2,916.82	-
Federal bank Ltd.	1,591.12	-
Indusind Bank Ltd.	1,856.23	-
RBL Bank Ltd.	6,530.93	-
Axis Bank Ltd.	599.46	1,795.13
Car loans	3.86	11.10
Total	**20,995.16**	**8,544.97**

Notes forming part of the financial statements

Note	Particulars

17. NON-CURRENT BORROWINGS (CONTD.)

(i) Details of terms of repayment for the borrowings and security provided in respect of the secured borrowings:

₹ Lakhs

Particulars	Terms of repayment and security	As at March 31, 2019	As at March 31, 2018
Term loans from banks:			
a) HDFC Bank Ltd.	Exclusive first charge on the company's movable and immovable assets situated at Mornoi Village, Goalpara District, Assam, Second pari passu charge on movable and immovable fixed assets of the Company's unit at Uttaranchal. Rate of Interest as at March 31, 2019 - 9.05% p.a, March 31, 2018 - 8.50% p.a Terms of repayment : Repayment in 48 monthly installement of INR 187.50 lakhs starting from April-18 with 24 months' moratorium period.	4,494.78	6,738.74
b) Indusind Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Kolkata, Lucknow & Haridwar Rate of Interest as at March 31, 2019-9.55% p.a, March 31, 2018 - Nil Terms of repayment: 16 Quarterly installments starting from October-18 of INR 62.50 lakhs for the first 4 Quarter & INR 187.50 lakhs for the subsequent 12 Quarters	1,856.23	-
c) ICICI Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Hyderabad, Chennai, Lucknow, Rainey Park, Kolkata, Rate of Interest - March 31, 2019 - 9.50% p.a,March 31, 2018- Nil Terms of repayment: 36 montly installments starting from September-18 First installment - INR 35.00 Lakhs Next 6 installments - INR 50.00 Lakhs ending on March-19 Next 11 installments - INR 135.00 Lakhs ending on February-20 Next 12 installments - INR 165.00 Lakhs ending on February-21 Rest 6 installments - INR 200.00 Lakhs	3,001.96	-
d) DCB Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Lucknow, Rainey Park, Kolkata & Haridwar Rate of Interest as at March 31, 2019- 9.79% p.a, March 31, 2018 - Nil Terms of repayment: 12 Quarterly installments starting from March-19 of INR 416.67 Lakhs with 5 months' moratorium period.	2,916.82	-
e) Federal Bank Ltd.	Secured by first charge on the property of the Company situated at B1, Sector 80, Gautam Budh Nagar, Noida, UP. The charge is restricted up to INR 40 crores irrespective of the value. Rate of Interest as at March 31, 2019 - 9.35% p.a, March 31, 2018 - Nil Terms of repayment: 36 monthly installments starting from March-19 of INR 69.44 Lakhs 6 months' moratorium period.	1,591.12	-
f) RBL Bank Ltd.	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Lucknow, Rainey Park, Kolkata, Haridwar & Hyderabad Rate of Interest as at March 31, 2019- 10.00% p.a, March 31, 2018 - Nil Terms of repayment: 16 Quarterly installments starting from December-19 of INR 468.75 Lakhs 12 months' moratorium period.	6,530.93	-
g) Axis Bank	Secured by first pari passu charge on the movable and immovable assets of the Company situated at Kolkata, Tiruvottiyur Chennai & Lucknow. Rate of Interest as at March 31, 2019 - 8.60% p.a, March 31, 2018 - 8.30% p.a Terms of repayment starting from April 2018: 30 equal monthly installments of INR 100.00 lakhs with 6 months moratorium period.	599.46	1,795.13
h) Car loans	Secured by way of hypothecation of cars financed. Terms of repayment: Various; Each repayable in 36 equated installments.	3.86	11.10
TOTAL -TERM LOANS FROM BANKS		**20,995.16**	**8,544.97**

Notes forming part of the financial statements

Note **Particulars**

17. NON-CURRENT BORROWINGS (CONTD.)

(ii) For the current maturities of long-term borrowings, refer items B (a) in Note 18 Other financial liabilities

(iii) Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt during the year.

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	469.22	350.88
Current Borrowings	(8,451.88)	(10,338.83)
Non-current Borrowings (including Current Maturities and Interest Accrued)	(30,027.51)	(14,358.33)
Net Debt	**(38,010.17)**	**(24,346.28)**

₹ Lakhs

Particulars	Cash and Cash Equivalents including bank Overdraft	Non-current Borrowings (including Current Maturities and Interest Accrued)	Current Borrowings	Total
Net Debt as at April 1, 2018	(9,503.26)	(14,358.33)	(484.69)	(24,346.28)
Cash flows	8,170.60	(15,811.91)	(6,165.31)	(13,806.62)
Finance cost	(1,897.61)	(2,443.89)	(1,057.26)	(5,398.76)
Finance cost paid	1,897.61	2,586.62	1,057.26	5,541.49
Net Debt as at March 31, 2019	**(1,332.66)**	**(30,027.51)**	**(6,650.00)**	**(38,010.17)**

18. OTHER FINANCIAL LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
A. Non-current financial liabilities		
Security deposits received	394.73	394.73
Total	**394.73**	**394.73**
B. Current financial liabilities		
(a) Current maturities of long-term debt (Refer Note 17)	8,957.16	5,722.26
(b) Interest accrued on borrowings	75.19	91.10
(c) Liability towards Investor Education and Protection Fund under Section 125 of the Companies Act, 2013:		
(i) Unpaid dividends		
- Not Due	46.16	39.43
(d) Other payables		
(i) Payables on purchase of property, plant and equipment and intangible assets	166.71	328.20
(ii) Retention money	448.04	564.21
(iii) Employee benefits liability	1,651.22	-
(iv) Others (includes payable to co-operative society, accrual of audit fees, etc.)	209.86	88.52
Total	**11,554.34**	**6,833.72**

Notes forming part of the financial statements

Note	Particulars

19. PROVISIONS

₹ Lakhs

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
(a) Provision for employee benefits:				
(i) Post-employment medical benefits (Refer Note 34.5)	276.98	35.59	283.36	36.42
(ii) Compensated absences (Refer Note 34.5)	302.98	78.78	357.49	72.53
	579.96	**114.37**	**640.85**	**108.95**
(b) Provision - Others:				
(i) Sales tax, excise, etc (Refer (i) below)	-	967.75	-	964.17
(ii) Warranty provisions (Refer (ii) below)	-	680.08	-	306.69
	-	**1,647.83**	**-**	**1,270.86**
Total	**579.96**	**1,762.20**	**640.85**	**1,379.81**

Details of provisions

(i) The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ Lakhs

Particulars	As at April 1, 2018	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2019
Provision for other contingencies					
Sales Tax	132.54	-	-	-	132.54
Excise	503.56	52.47	-	(1.02)	555.01
Others (service tax, customs duty,etc)	328.07	10.81	-	(58.68)	280.20
Total	**964.17**	**63.28**	**-**	**(59.70)**	**967.75**

₹ Lakhs

Particulars	As at April 1, 2017	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2018
Provision for other contingencies					
Sales tax	139.05	-	-	(6.51)	132.54
Excise	376.35	186.34	-	(59.13)	503.56
Others (service tax, customs duty,etc)	352.46	0.39	-	(24.78)	328.07
Total	**867.86**	**186.73**	**-**	**(90.42)**	**964.17**

The expected time of resulting outflow is one to two years.

Notes forming part of the financial statements

Note **Particulars**

19. PROVISIONS (CONTD.)

(ii) The provision for warranty claims represents the estimated future outflow of economic benefits that will be required to settle the Company's obligations for warranties. This has been made mainly on the basis of historical warranty trends.

₹ Lakhs

Particulars	As at April 1, 2018	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2019
Warranty provisions	306.69	1,621.03	(1,247.64)	680.08
Total	**306.69**	**1,621.03**	**(1,247.64)**	**680.08**

₹ Lakhs

Particulars	As at April 1, 2017	Additional provision recognised	Reversal for warranty settlements	As at March 31, 2018
Warranty provisions	374.82	708.32	(776.45)	306.69
Total	**374.82**	**708.32**	**(776.45)**	**306.69**

20. DEFERRED TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	3,064.35	2,396.07
Deferred tax liabilities	(3,550.31)	(3,018.94)
Total	**(485.96)**	**(622.87)**

₹ Lakhs

Particulars	As at April 1, 2018	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2019
A. Deferred tax assets				
Disallowance under section 40(a)(i) of the Income Tax Act, 1961	13.84	10.62	-	24.46
Allowances for doubtful debts and advances	176.34	194.33	-	370.67
Provision for compensated absences	148.82	(15.42)	-	133.40
Expenditures falling under section 43B of Income Tax Act, 1961	499.60	(29.37)	-	470.23
Mat credit entitlement	1,369.67	-	-	1,369.67
Mat credit utilised and set off against earlier years' tax provision	-	-		45.90
Others	187.80	462.22	-	650.02
	2,396.07	**622.38**	**-**	**3,064.35**
B. Deferred tax liabilities				
Cash flow hedge	-	-	-	-
Difference between book balance and tax balance of property, plant and equipment	3,018.94	531.37	-	3,550.31
	3,018.94	**531.37**	**-**	**3,550.31**
Net deferred tax assets/(liabilities) (A-B)	**(622.87)**	**91.01**	**-**	**(485.96)**

Notes forming part of the financial statements

Note **Particulars**

20. DEFERRED TAX LIABILITIES (NET) (CONTD.)

MAT credit entitlement amounting to ₹ 1,275.52 Lakhs as at March 31, 2019 (March 31, 2018: ₹ 1,732.72 Lakhs has not been recognised due to uncertainty surrounding availability of future taxable income against which such credit can be offset.

₹ Lakhs

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2018
A. Deferred tax assets				
Effect of recognizing derivative instruments other than designated as cash flow hedge at fair value	34.87	(34.87)	-	-
Disallowance under section 40(a)(i) of the Income Tax Act, 1961	13.84	-	-	13.84
Allowances for doubtful debts and advances	121.34	55.00	-	176.34
Provision for compensated absences	149.83	(1.01)	-	148.82
Expenditures falling under section 43B of Income Tax Act, 1961	428.68	70.92	-	499.60
Mat credit entitlement	1,369.67	-	-	1,369.67
Others	101.89	85.91	-	187.80
	2,220.12	**175.95**	**-**	**2,396.07**
B. Deferred tax liabilities				
Cash flow hedge	10.37	-	(10.37)	-
Difference between book balance and tax balance of property, plant and equipment	2,331.23	687.71	-	3,018.94
	2,341.60	**687.70**	**(10.37)**	**3,018.94**
Net deferred tax (liabilities)/assets (A-B)	**(121.48)**	**(511.76)**	**10.37**	**(622.87)**

21. CURRENT BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
From banks-Secured at amortised cost		
Bank overdraft and cash credit (Refer (i) below)	1,801.88	9,854.14
From Banks- Unsecured at amortised cost		
Demand Loan	5,900.00	484.69
From other parties-Unsecured at amortised cost		
Demand Loan	750.00	-
Total	**8,451.88**	**10,338.83**

(i) Details of security:

₹ Lakhs

Particulars	Nature of security	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand from banks:			
Axis Bank Ltd.	Secured by first charge on the whole of the current assets of the Borrower namely, stocks of raw materials, semi finished and finished goods stores and spares, bills receivable and book debts and all other movables, both present and future and ranking pari passu with the charges created and /or to be created in favour of other banks in the consortium and first/ second charge on the property, plant and equipment of the company.	45.15	-
UCO Bank		75.34	4,573.26
United Bank of India		727.26	2,867.59
ICICI Bank Ltd.		70.41	2,413.29
HDFC Bank Ltd.		883.72	-
Total - from banks (secured)		**1,801.88**	**9,854.14**

Notes forming part of the financial statements

Note **Particulars**

22. TRADE PAYABLES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables:		
(i) Total outstanding dues of micro enterprises and small enterprises	181.41	104.22
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	23,423.94	30,368.31
(iii) Due to subsidiaries	1,996.20	2,239.48
Total	**25,601.55**	**32,712.01**

The average credit period for purchase of materials and traded products ranges from 30 to 180 days.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	181.41	104.22
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.33	0.70
(iv) The amount of interest due and payable for the year	2.33	0.70
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	4.64	2.31

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 on the basis of information available with the Company.

23. OTHER CURRENT LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Statutory remittances (Contributions to PF and ESIC, withholding Taxes, GST, etc.)	3,217.86	3,662.90
(ii) Advances from customers	301.86	527.41
(iii) Advance received against Chennai land sale agreement	5,000.00	-
(iv) Entry tax, Sales tax payable and other taxes	96.14	1,557.15
(v) Ind AS 115 Deferred revenue (Refer Note 34.4)	480.32	-
(vi) Others	73.03	191.33
Total	**9,169.21**	**5,938.79**

Revenue recognised in relation to contract liability
The following table shows how much of the revenue recognised in the current revenue period relates to carry forward contract liabilities.

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advances from customers	**527.41**	**-**

Notes forming part of the financial statements

Note	Particulars

24. CURRENT TAX LIABILITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Income-tax payable [(net of advance income-tax ₹ 3,000.32 Lakhs (As at March 31, 2018 ₹ 3,000.32 Lakhs)]	1,311.71	1,311.71
	1,311.71	**1,311.71**

25. REVENUE FROM OPERATIONS

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products-[including excise duty of NIL (for the year ended March 31, 2018 ₹ 1,888.18 Lakhs)] (Refer (i) below)	1,44,200.17	1,47,083.03
(b) Other operating revenues (Refer (ii) below)	1,573.21	439.84
Total	**1,45,773.38**	**1,47,522.87**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Sale of products comprises: **		
Manufactured goods		
Batteries	73,678.36	74,521.40
Flashlights	10,009.18	10,457.43
Packet tea	6,830.44	7,172.08
Electrical products	94.56	743.35
Total - Sale of manufactured goods	**90,612.54**	**92,894.26**
Traded goods		
Batteries	1,044.81	1,119.00
Flashlights	8,119.95	8,389.68
Electrical products	31,880.03	33,721.94
Small home appliances	13,882.20	10,912.59
Confectioneries	1,251.18	45.56
Total - Sale of traded goods	**56,178.17**	**54,188.77**
Total - Sale of products	**1,46,790.71**	**1,47,083.03**
(ii) Other operating revenues comprise:		
Sale of scrap	266.52	190.40
Fiscal Incentive for Assam plant	1,274.61	224.59
Others	32.08	24.85
Total - Other operating revenues	**1,573.21**	**439.84**

** These figures are at their respective contract prices.

Notes forming part of the financial statements

Note **Particulars**

25. REVENUE FROM OPERATIONS (CONTD.)

A) The following table shows unsatisfied performance obligations related to schemes

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferment of revenue for unsatisfied performance obligations	480.32	-

B) The following table shows reconciliation of revenue recognised with contract price.

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Contract Price	1,46,790.71	1,47,083.03
Adjustments for:		
Refund Liabilities- Discount/Rebates	(2,935.17)	-
Contract Liabilities-Schemes	344.63	-
Total	**1,44,200.17**	**1,47,083.03**

26. OTHER INCOME

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income [Refer (i) below]	2,883.55	1,324.41
(b) Other non-operating income [Refer (ii) below]	657.44	652.32
Total	**3,540.99**	**1,976.73**

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Interest income comprises:		
- On bank deposits and others	13.76	15.66
- On loans and advances	2,869.79	1,263.96
- On advance payment of taxes	-	44.79
Total - Interest income	**2,883.55**	**1,324.41**
(ii) Other non-operating income comprises:		
- Profit on sale of property, plant and equipment	657.44	556.68
- Provisions/Liabilities no longer required written back	-	95.64
Total - Other non-operating income	**657.44**	**652.32**

Notes forming part of the financial statements

Note **Particulars**

27.a COST OF MATERIALS CONSUMED

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock	8,992.78	8,381.19
Add: Purchases	49,267.63	51,043.90
	58,260.41	**59,425.09**
Less: Closing stock	8,569.41	8,992.78
Total cost of material consumed	**49,691.00**	**50,432.31**
Material consumed comprises:		
Zinc spelter	12,054.25	13,135.32
Acetylene black	1,824.06	1,617.27
Brass	1,170.40	1,367.97
Manganese ore	1,545.72	1,589.58
Black tea for packet tea	4,916.95	5,429.03
Others	28,179.62	27,293.14
Total	**49,691.00**	**50,432.31**

27.b PURCHASES OF STOCK-IN-TRADE (TRADED GOODS)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Batteries	720.51	806.06
Flashlights	5,250.38	5,306.98
Electrical products	20,913.20	24,028.94
Small Home appliances	10,682.06	10,540.84
Others	974.85	57.89
Total	**38,541.00**	**40,740.71**

27.c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year:		
Finished goods	5,509.88	7,084.84
Work-in-progress	3,824.16	4,499.49
Stock-in-trade	6,730.20	8,755.75
	16,064.24	**20,340.08**
Inventories at the beginning of the year:		
Finished goods	7,084.84	9,758.88
Work-in-progress	4,499.49	3,728.04
Stock-in-trade	8,755.75	6,040.32
	20,340.08	**19,527.24**
Net (increase) / decrease	**4,275.84**	**(812.84)**

Notes forming part of the financial statements

Note **Particulars**

28. EMPLOYEE BENEFIT EXPENSE

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	13,521.64	14,337.11
Contributions to provident and other funds (Refer Note 34.5)	1,217.85	1,310.90
Staff welfare expenses	950.89	1,122.80
Total	**15,690.38**	**16,770.81**

29. FINANCE COSTS

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest expense on borrowings	5,039.48	2,645.88
(b) Net loss on foreign currency transactions and translation (considered as finance cost)	-	91.48
(c) Other borrowing costs	359.28	132.65
Total	**5,398.76**	**2,870.01**

30. DEPRECIATION AND AMORTISATION EXPENSES

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation for the year on Property, plant and equipment as per Note 3	1,992.60	1,838.50
Amortisation for the year on Intangible assets as per Note 5	191.09	85.79
Total	**2,183.69**	**1,924.29**

31. OTHER EXPENSES

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	579.77	367.27
Decrease in excise duty in inventory of finished goods	-	(661.27)
Power and fuel	1,250.87	1,346.10
Rent*	970.68	828.86
Repairs and maintenance - Buildings	311.62	283.66
Repairs and maintenance - Machinery	967.42	934.85
Repairs and maintenance - Software	438.96	293.90
Insurance	203.85	222.32
Rates and taxes	336.18	720.74
Reversal of interest component of entry tax	(739.85)	-
Travelling and conveyance	3,191.06	3,180.74
Freight, shipping and selling expenses	10,265.00	9,127.89

Notes forming part of the financial statements

Note **Particulars**

31. OTHER EXPENSES (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Advertisement, sales promotion and market research	2,840.49	6,552.96
Expenditure on Corporate Social Responsibility (Refer Note 34.9)	171.80	162.49
Payments to auditors (Refer (i) below)	73.21	66.13
Allowance for bad and doubtful trade receivables	95.92	158.92
Loss on foreign currency transactions and translation (other than considered as finance cost)	261.00	36.33
Provision for indirect taxes [Refer note 19(b)(i)]	3.58	186.73
Loss on fair valuation of investment through profit and loss	0.03	0.01
Miscellaneous expenses	4,076.57	4,159.38
Total	**25,298.16**	**27,968.01**

(i) Payments to auditors

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payments to the auditors comprises fees for (net of GST/Service tax input credit, where applicable):		
As auditor		
Audit fees	37.50	37.50
In other capacities		
Tax audit fees	6.00	6.00
Certification fees and others	21.10	22.43
Reimbursement of expenses	8.61	0.20
Total	**73.21**	**66.13**

(ii) Other Expenses include following expenses related to Investment property that did not generate rental income:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of stores and spare parts	0.03	0.07
Power and fuel	0.09	0.02
Repairs and maintenance - Machinery & Building	0.01	0.18
Travelling and conveyance	0.18	0.06
Rates and taxes	31.57	3.93
Miscellaneous expenses- security service charge	17.11	17.06
Total	**48.99**	**21.32**

*The Company has taken premises (land, office, godowns etc.) on operating lease. These leasing arrangements are cancellable and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are included in Rent in other expenses.

Notes forming part of the financial statements

Note **Particulars**

32. EXCEPTIONAL ITEMS

Exceptional items relate to costs related to a voluntary retirement scheme for workmen (VRS), completed during the year ended March 31, 2019 for the manufacturing facility at Tiruvottiyur, Chennai.

33. INCOME TAX EXPENSE

33.a. Income tax recognised in profit and loss

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of current year	1,275.52	1,732.72
	1,275.52	**1,732.72**
Deferred tax		
In respect of current year	(91.01)	511.76
	(91.01)	**511.76**
Total	**1,184.51**	**2,244.48**

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	**5,910.30**	**7,718.12**
Income tax expense calculated at 34.944% (for the year ended March 31 ,2018 :34.608%)	2,065.30	2,671.09
Difference on account of Tax Rate	(29.63)	-
Effect of income exempt from taxation (under section 80-IC of the Income Tax Act, 1961)	(2,184.03)	(1,478.73)
Effect of concessions (research and development and other allowances)	32.38	(41.53)
MAT Credit Entitlement under section 115JAA– being the difference between tax payable under MAT & normal provisions	1,275.52	888.19
Effect of expenses that are not deductible in determining taxable profit	60.03	205.46
Others	(35.06)	-
Total	**1,184.51**	**2,244.48**

33.b. Income tax recognised in other comprehensive income

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
Arising on remeasurement gain on defined benefit plans	(34.64)	(5.43)
	(34.64)	**(5.43)**
Deferred tax		
Arising on effective portion of loss on designated portion of hedging instrument in cash flow hedge	-	10.37
	-	**10.37**
Total	**(34.64)**	**4.94**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

34.1 Contingent liabilities & commitments (to the extent not provided for)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Contingent liabilities		
(a) Penalty imposed by Competition Commission of India ("CCI") on the company and on certain officers of the Company (Refer note below #)	17,208.41	17,208.41
(b) Claims against the Company not acknowledged as debts:		
- Excise & Customs *	1,641.17	1,660.44
- Sales tax	88.27	70.65
* Excludes interest claimed in a few cases by respective authorities but amount not quantified.		
(c) Others (includes ESI, property tax, water tax etc.)	80.20	125.60
(ii) Guarantees	32,475.03	4,135.79
(iii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Property, plant and equipment	434.88	401.38
- Intangible assets	13.45	4.95

Note:

The Competition Commission of India ("CCI") issued an Order dated April 19, 2018, imposing penalty on certain zinc carbon dry cell battery manufacturers, concerning contravention of the Competition Act, 2002 (The Act). The penalty imposed on the Company was ₹ 17,155 lakhs. The Company filed an appeal and stay application before the National Company Law Appellate Tribunal, New Delhi, (NCLAT) against the CCI's said Order.Since then, the NCLAT vide its order dated May 09, 2018, has stayed the penalty with the direction of depositing 10% of the penalty amount within 15 days with the Registry of the NCLAT. The Company has complied with the said direction of the NCLAT. Meanwhile, the Company received legal advice to the effect that given the factual background and the judicial precedents, there are reasonable grounds on the basis of which the NCLAT will allow the appeal and will either adjudicate upon the quantum of penalty imposed or remand it to the CCI for de novo consideration. It may also be noted that a certain amount of penalty will be levied on the Company as it had also earlier filed an application under the Lesser Penalty Regulations under the Act. However, at this stage it is not possible to quantify or even make a reasonable estimate of the quantum of penalty that may be imposed on the Company. According to the aforesaid legal advice, the matter should be recognized as a contingent liability as defined under Ind-AS 37 and there should be no adjustment required in the financial statements of the Company in accordance with Ind-AS 10. Accordingly, pending the final disposal of the appeal, the amount has been disclosed as contingent liability in the financial statements. It may also be noted that penalty imposed in this connection on certain officers of the Company amounting ₹ 53.41 Lakhs has been included in the above.

34.2 Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013

Interest bearing (which is not lower than prevailing yield of related Government Security close to the tenure of respective loans) loans repayable on demand to Babcock Borsig Ltd, McNally Bharat Ltd, Williamson Financial Services Ltd, Seajuli Developers & Finance Ltd, Greendale India Limited and Williamson Magor & Co. Ltd. outstanding at the year end were ₹ 8,664.00 Lakhs, ₹ 411.87 Lakhs, ₹ 146.62 Lakhs, ₹ 13,671.48 Lakhs, ₹ 161.91 Lakhs and ₹ 22.46 Lakhs respectively and maximum amount outstanding during the year was ₹ 8,664.00 Lakhs, ₹ 2,889.81 Lakhs, ₹ 4,981.95 Lakhs, ₹ 25,849.32 Lakhs, ₹ 161.91 Lakhs and ₹ 1,408.09 Lakhs respectively, for their business purposes.

34.3 The Company has given inter-corporate deposits to certain companies (part of the promoter group). From time to time, these deposits were repaid by the borrowing entities to the Company on demand. However, some of these deposits amounting to ₹ 19,929 lakhs and interest outstanding thereon amounting to ₹ 3,150 lakhs are lying outstanding as at March 31, 2019. Furthermore, the Company has furnished certain corporate guarantees and post-dated cheques in favour of banks/ other parties who have provided loans to the companies (part of the promoter group), outstanding amount of these guarantees/post-dated cheques being ₹ 28,309 lakhs as at March 31, 2019. Repayment of these deposits and the guarantees/post-dated cheques

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

given to/on behalf of these companies along with future interest have been guaranteed by certain promoter Directors of the Company, in the event of a default by the said companies to pay the dues. Furthermore, a promoter group level restructuring is under way to monetize assets to meet up the various liabilities of the companies (part of the promoter group) including the outstanding advances and any potential liability related to the guarantees/post-dated cheques, due to the Company. The management therefore believes that the outstanding dues shall be recovered and no provision is required at this stage.

34.4 Impact of new revenue standard

The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has applied modified retrospective approach in adopting the new standard and accordingly, the revenue from operations for the year ended March 31, 2019 is not comparable with the previous year. Necessary adjustments for adoption of the aforesaid standard have been made resulting in increase in profit before tax for the year ended March 31, 2019 by ₹ 118.72 Lakhs and increase in earnings per share by ₹ 0.13. Further, an amount of ₹ 295.41 Lakhs has also been adjusted retained earnings as on April 1, 2018 on account of unsatisfied performance obligations as on the date of initial application of the standard i.e April 1, 2018.

34.5 Employee benefit plans

34.5.a Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity
ii. Post-employment medical benefits
iii. Pension
iv. Leave Encashment

The following table sets out the funded/unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
Components of employer expense								
Current service cost	220.13	1.52	-	130.53	238.81	1.49	-	139.27
Interest cost	178.65	22.93	17.29	28.55	158.01	21.69	17.90	27.66
Interest Income on plan assets	(250.31)	-	(26.64)	-	(230.02)	-	(37.47)	-
Past service cost	-	-	-	-	27.22			
Actuarial losses / (gains) arising from changes in financial assumptions	-	-	-	8.17	-	-	-	13.67
Actuarial losses / (gains) arising from changes in experience adjustments	-	-	-	(104.06)	-	-	-	(107.95)
Total expense / (income) recognised in the Statement of Profit and Loss	**148.47**	**24.45**	**(9.35)**	**63.19**	**194.02**	**23.18**	**(19.57)**	**72.65**
Return on Plan Assets (Excluding Interest Income)	(9.11)	-	(63.47)	-	(54.13)	-	(52.75)	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	41.04	4.05	1.64	-	93.76	(14.92)	6.15	-
Actuarial losses / (gains) arising from changes in experience adjustments	(127.13)	(0.74)	(7.03)	-	(25.09)	19.55	1.98	-
Total expense / (income) recognised in Other Comprehensive Income	**(95.20)**	**3.31**	**(68.86)**	**-**	**14.54**	**4.63**	**(44.62)**	**-**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded
Net asset / (liability) recognised in the Balance Sheet								
Present value of defined benefit obligation	2,330.13	312.57	242.84	381.76	2,651.29	319.78	260.28	430.02
Fair value of plan assets	3,231.02	-	310.22	-	3,570.11	-	535.07	-
Status [Surplus / (Deficit)]	900.89	(312.57)	67.38	(381.76)	918.82	(319.78)	274.79	(430.02)
Net asset / (liability) recognised in the Balance Sheet	**900.89**	**(312.57)**	**67.38**	**(381.76)**	**918.82**	**(319.78)**	**274.79**	**(430.02)**
Change in defined benefit obligations (DBO) during the year								
Present value of DBO at beginning of the year	2,651.29	319.78	260.28	430.02	2,355.88	327.92	277.10	432.93
Current service cost	220.13	1.52	-	130.53	238.81	1.49	-	139.27
Interest cost	178.65	22.93	17.29	28.55	158.01	21.69	17.90	27.66
Past service cost	-	-	-	-	27.22	-	-	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	41.04	4.05	1.64	8.17	93.76	(14.92)	6.15	13.67
Actuarial losses / (gains) arising from changes in experience adjustments	(127.13)	(0.74)	(7.03)	(104.06)	(25.09)	19.55	1.98	(107.95)
Benefits paid	(633.85)	(34.97)	(29.34)	(111.45)	(197.30)	(35.95)	(42.85)	(75.56)
Present value of DBO at the end of the year	**2,330.13**	**312.57**	**242.84**	**381.76**	**2,651.29**	**319.78**	**260.28**	**430.02**
Change in fair value of assets during the year								
Plan assets at beginning of the year	3,570.11	-	535.07	-	3,286.02	-	625.81	-
Interest Income on plan assets	250.31	-	26.64	-	230.02	-	37.47	-
Actual company contributions	35.34	34.97	(285.62)	111.45	197.24	35.95	(138.11)	75.56
Return on Plan Assets (excluding Interest Income)	9.11	-	63.47	-	54.13	-	52.75	-
Benefits paid	(633.85)	(34.97)	(29.34)	(111.45)	(197.30)	(35.95)	(42.85)	(75.56)
Plan assets at the end of the year	**3,231.02**	**-**	**310.22**	**-**	**3,570.11**	**-**	**535.07**	**-**
Composition of the plan assets is as follows:								
Government bonds	-	NA	-	NA	-	NA	-	NA
Special Deposit with SBI	-	NA	65.35	NA	-	NA	65.35	NA
Corporate Bonds	-	NA	-	NA	-	NA	-	NA
Insurance Companies	3,226.63	NA	3,416.45	NA	3,566.32	NA	3,297.91	NA
Cash and Cash Equivalents	4.39	NA	3.98	NA	3.79	NA	10.36	NA
Actuarial assumptions								
Discount rate	7.52%	7.44%	6.82%	7.44%	7.67%	7.65%	7.04%	7.66%
Expected return on plan assets	7.67%	NA	7.04%	NA	7.00%	NA	7.00%	NA

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
	Funded	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**	**Funded**	**Unfunded**
Salary escalation	7.00%	NA	NIL	7.00%	7.00%	NA	NIL	7.00%
Withdrawal Rate : Upto 40 Years	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%
Withdrawal Rate : 40 Years & above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Early Retirement & Disability 40-54 Years	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
Early Retirement & Disability 55-59 Years	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%	2.22%
Mortality tables	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate
Average longeivity at retirement age for current beneficiaries of the plan (Years)								
Males	NA	NA	NA	NA	NA	NA	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA
Average longeivity at retirement age for current employees(future beneficiaries of the plan) (Years)								
Males	NA	75.9	NA	NA	NA	75.45	NA	NA
Females	NA	NA	NA	NA	NA	NA	NA	NA

These plans typically expose the Company to actuarial risks are as follows:

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk*	The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated.

* Not applicable for Pension fund

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Sensitivity analysis

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

₹ Lakhs

Sensitivity	Pension		Post employment medical benefits		Compensated absences		Gratuity	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
DBO at March 31 with discount rate +0.5 %	3.68	4.12	10.17	12.38	14.66	17.87	117.58	133.71
DBO at March 31 with discount rate -0.5%	(3.85)	(4.32)	(10.93)	(14.15)	(15.76)	(19.25)	(127.52)	(144.90)
DBO at March 31 with +1% salary escalation	N/A	N/A	N/A	N/A	(32.51)	(39.83)	(260.11)	(288.20)
DBO at March 31 with -1% salary escalation	N/A	N/A	N/A	N/A	28.66	34.99	227.62	260.23
DBO at March 31 with +1% benefit increase	N/A	N/A	(3.12)	(3.20)	N/A	N/A	N/A	N/A
DBO at March 31 with -1% benefit increase	N/A	N/A	3.13	3.19	N/A	N/A	N/A	N/A

Estimated Cash Flows(Undiscounted) in Subsequent years

₹ Lakhs

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	Gratuity	Post-employment medical benefits	Pension	Compensated absences	Gratuity	Post-employment medical benefits	Pension	Compensated absences
1st year	292.77	35.60	62.18	81.62	307.20	36.42	103.55	75.24
Within 2 to 5 years	347.98	129.19	58.81	77.56	448.58	133.28	87.08	87.58
Within 6 to 10 years	848.39	132.92	62.31	155.00	809.70	137.79	80.02	163.59
10 years and above	4,719.10	273.01	63.73	346.74	5,616.43	288.22	66.77	360.22

Provident Fund

Contributions towards provident funds are recognised as expense for the year. The Company has set up a Provident Fund Trust which is administered by Trustees. Both the employees and the Company make monthly contributions to the Fund at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment.

The Trust invests funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under "The Employees' Provident Funds and Miscellaneous Provisions Act, 1952" and shortfall, if any, on account of interest is to be made good by the Company.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, no amount is required to be provided towards future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

Principal Actuarial Assumptions	Year ended March 31, 2019	Year ended March 31, 2018
Discount Rate	7.43%	7.64%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified)	Indian Assured Lives Mortality (2006-08) (modified)
Expected Return on Fund	8.83%	8.55%

Total amount charged to the Statement of Profit and Loss for the year ended March 31, 2019 ₹ 374.65 lakhs (For the year ended March 31, 2018 ₹ 377.67 lakhs)

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under "The Employees' Provident Funds & Miscellaneous Provisions Act, 1952" in the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

Pension fund

Contribution towards Pension fund [Total amount charged to the Statement of Profit and Loss for the year ended March 31, 2019 ₹ 570.64 lakhs (For the year ended March 31, 2018 ₹ 585.85 lakhs)]

34.6 Segment information

The Company is engaged in the business of marketing of dry cell batteries, rechargeable batteries, flashlights, packet tea, general lighting products, small home appliances and confectionery products which come under a single business segment known as Consumer Goods.The financial performance relating to this single business segment is evaluated regularly by the Managing Director and Chief Financial Officer (Chief Operating Decision Makers).

The company is domiciled in India. The amount of its revenue from external customers is broken down by location of the customers is shown in the table below.

₹ Lakhs

Revenue from external customers	For the year ended March 31, 2019	For the year ended March 31, 2018
India	1,41,153.86	1,44,129.12
Other countries	3,046.31	2,953.90
Total	**1,44,200.17**	**1,47,083.03**

The company is domiciled in India. The company does not have any Non-current assets ouside India.

34.7 Related party transactions

34.7.a Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Everspark Hong Kong Private Limited
	Greendale India Limited (formerly known as Litez India Limited)
Associate	Preferred Consumer Products Private Limited
Investor Company (for which the Company is an associate)	Williamson Magor & Co. Limited
Employee Benefit Trusts	Eveready India Managerial Staff Pension Fund
	Eveready India Managerial Staff Gratuity Fund
	Eveready India Employees Gratuity Fund
	Eveready India Staff Provident Fund
Key Management Personnel (KMP)	
Executive Directors	Mr. Suvamoy Saha
	Mr. Amritanshu Khaitan

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

Description of relationship	Names of related parties
Non- Executive Directors	Mr. Brij Mohan Khaitan
	Mr. Aditya Khaitan
	Mr. Subir Ranjan Dasgupta
	Mrs. Ramni Nirula
	Mr. Ajay Kaul
	Mr. Aniruddha Roy (Effective September 17, 2018)
	Mr. Sudipto Sarkar (Till March 29, 2019)
Relatives of KMP with whom the Company had transactions during the year	Ms. Yashodhara Khaitan - Mother of Mr. Amritanshu Khaitan
	Ms. Isha Khaitan - Spouse of Mr. Amritanshu Khaitan
	Ms. Nitya Bangur - Sister of Mr. Amritanshu Khaitan
	Ms. Apurvi Khaitan - Daughter of Mr. Aditya Khaitan

34.7.b Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Subsidiaries		
(i) Everspark Hong Kong Private Limited		
Purchase of goods	3,732.90	4,236.30
Reimbursement of expenses	154.96	60.38
Outstanding as at the year end		
Trade payables	1,996.20	2,239.48
Guarantees and collaterals	2,661.12	2,509.53
(ii) Greendale India Limited (formerly known as Litez India Limited)		
Purchase of goods	-	8.98
Interest earned during the year	10.03	4.30
Outstanding as at the year end		
Advances	32.39	29.85
Loans	161.91	150.88
Associate		
(i) Preferred Consumer Products Private Limited		
Interest Expense	49.93	-
Reimbursement of expenses	55.65	-
Outstanding as at the year end		
Advances	5.35	-
Borrowings	750.00	-
Investor Company (for which the Company is an associate)		
(i) Williamson Magor & Co. Limited		
Interest Income	22.46	-
Reimbursement of expenses	1.55	1.05
Rendering of services	180.00	180.00
Rent paid	2.75	3.00
Outstanding as at the year end		
Trade payables/Interest receivable	22.46	30.00
Employee Benefit Trusts		
Eveready India Managerial Staff Pension Fund	56.00	183.00
Eveready India Managerial Staff Gratuity Fund	-	91.00
Eveready India Employees Gratuity Fund	-	71.00

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Eveready India Staff Provident Fund	327.98	326.65
Contribution to employment benefit plans	**383.98**	**671.65**
Key Management Personnel (KMP)		
Executive Directors		
(i) Mr. Suvamoy Saha		
Remuneration		
Short-term benefits	265.55	264.34
Post employment benefits*	32.40	32.40
	297.95	**296.74**
(ii) Mr. Amritanshu Khaitan		
Remuneration		
Short-term benefits	366.36	357.40
Post employment benefits*	45.36	44.44
	411.72	**401.84**
Commission paid to Non-Executive Directors		
Mr. Brij Mohan Khaitan	-	1.00
Mr. Aditya Khaitan	1.00	1.00
Mr. Subir Ranjan Dasgupta	1.00	1.00
Mr. Sanjiv Goenka	-	1.00
Mrs. Ramni Nirula	-	1.00
Mr. Sudipta Sarkar	-	1.00
Mr. Ajay Kaul	-	1.00
Mr. Aniruddha Roy	1.00	-
	3.00	**7.00**
Sitting fees paid to Non-Executive Directors		
Mr. Brij Mohan Khaitan	1.00	2.00
Mr. Aditya Khaitan	2.40	2.70
Mr. Subir Ranjan Dasgupta	4.30	3.80
Mr. Sanjiv Goenka	-	1.50
Mrs. Ramni Nirula	2.80	2.60
Mr. Sudipta Sarkar	1.40	2.10
Mr. Ajay Kaul	2.00	2.00
Mr. Aniruddha Roy	1.20	-
	15.10	**16.70**
Relatives of KMP with whom the Company had transactions during the year		
Rent paid		
- Ms. Yashodhara Khaitan	3.60	3.60
- Ms. Isha Khaitan	7.80	7.80
- Ms. Nitya Bangur	12.00	12.00
- Ms. Apurvi Khaitan	7.80	7.80
	31.20	**31.20**
Remuneration		
- Ms. Apurvi Khaitan	12.45	12.45

* As the liabilities for gratuity and compensated absences are provided on actuarial basis for the company as a whole, amounts pertaining to KMP are not included.

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.8 Earnings per share

₹ Lakhs

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
34.8.a	Basic		
	Profit for the year ₹ in Lakhs	4,725.79	5,473.64
	Weighted average number of equity shares for basic EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Basic ₹	6.50	7.53
34.8.b	Diluted		
	The diluted earnings per share has been computed by dividing the profit for the year available for equity shareholders by the weighted average number of equity shares.		
	Profit for the year ₹ in Lakhs	4,725.79	5,473.64
	Weighted average number of equity shares for diluted EPS	7,26,87,260	7,26,87,260
	Par value per share ₹	5.00	5.00
	Earnings per share - Diluted ₹	6.50	7.53

34.9 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger, promoting education, healthcare and rural development. The expenditure incurred (Refer Note 31) during the year on these activities are as specified in schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the Company during the year ₹ 167.06 Lakhs

(b) Amount spent during the year on:

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	171.80	162.49
Total	**171.80**	**162.49**

34.10 Details of research and development expenditure recognised as an expense

₹ Lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee benefits expense	303.70	304.90
Consumables	40.48	39.68
Travelling expenses	35.08	40.57
Rent	4.06	4.14
Others	144.73	149.49
Total	**528.05**	**538.78**

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11 Financial instruments

34.11.1 Capital management

The Company's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Company also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Company to contain / reduce the cost of capital.

34.11.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Debt (A)	38,404.20	24,606.06
Cash and bank balance(B)	520.21	407.78
Net debt (A-B)	**37,883.99**	**24,198.28**
Total equity before exceptional items	**39,994.13**	**34,426.82**
Net debt to equity ratio before exceptional items (%)	94.72%	70.29%
Total equity	**37,668.89**	**34,426.82**
Net debt to equity ratio (%)	100.57%	70.29%

34.11.1.2 Dividend

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Equity shares		
Final dividend for the year ended March 31, 2018 of ₹ 1.50 per fully paid share	-	1,090.31
Dividend Distribution Tax on final dividend	-	224.12
(ii) Dividend not recognised at the end of the reporting period		
Since year end no dividend has been proposed.	-	-
Dividend Distribution Tax on proposed dividend	-	-

34.11.2 Categories of financial instruments

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investments designated at fair value through profit or loss (FVTPL)	0.03	0.06
Measured at amortised cost		
(a) Cash and bank balances	520.21	407.78
(b) Other financial assets at amortised cost	39,093.56	26,334.77
Measured at cost		
Investment in subsidiaries	265.61	265.61
Financial Liabilites		
Measured at amortised cost		
Financial liabilities measured at amortised cost	41,396.11	26,112.25

34.11.3 Financial risk management objectives

The Company endeavours to manage the financial risks related to it's operations through specified policies, which deals with various market risks (foreign currency exchange risk, interest rate risks and commodity price risks), credit risks and liquidity risks. In order to minimize any adverse effects on the

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

financial performance of the Company, derivative financial instruments like foreign exchange forward contracts, commodity future and option contracts, maintaning proper mix between fixed and floating rate of borrowings are undertaken to hedge the various financial risks as per guidelines set in those policies. Credit risk management is done through managing credit limits and transactions through letters of credit. Liquidity risk is managed through availability of committed credit lines and borrowing facilities.

34.11.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices in international markets. The Company enters into foreign exchange forward contracts and commodity futures contracts to manage it's market risks.

34.11.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within the approved policy utilising forward foreign exchange contracts as and when required depending upon market volatility

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

₹ Lakhs

Particulars	Liabilities		Assets	
	As at March 31,2019	As at March 31, 2018	As at March 31,2019	As at March 31,2018
USD	3,397.13	5,674.91	317.15	240.17
HKD	1,992.13	60.74	-	-

34.11.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency US Dollar and Hong Kong Dollar.This sensitivity analysis mentioned in the below table has been based on the composition of the Company's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit before tax where the INR(₹) strengthens 5% against the relevant currency. For a 5% weakening of the INR(₹) against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

₹ Lakhs

Particulars	For the period ended March 31, 2019	For the period ended March 31, 2018
US Dollar:		
Impact on profit or loss for the year	154.00	271.74
Hong Kong Dollar:		
Impact on profit or loss for the year	99.61	3.04

34.11.5.2 Foreign Exchange Forward Contracts

It is the policy of the Company to enter into foreign exchange forward contracts to cover foreign currency payments for known liabilities as and when required. There were no forward foreign exchange contracts outstanding at the end of the reporting period as also at the corresponding previous period.

34.11.6 Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings contracts.

34.11.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (borrowings) at the end of the reporting period. For liabilities with floating rate, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease 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.

Notes forming part of the financial statements

Note **Particulars**

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's:

- profit before tax for the year ended March 31, 2019 would decrease/increase by ₹ 244.70 lakhs (for the year ended March 31, 2018: decrease/increase by ₹ 122.58 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

34.11.7 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 has adopted a policy of only dealing with creditworthy counterpartie as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at March 31, 2019, an amount of ₹ 30,970.12 lakhs (as at March 31, 2018: ₹ 2,509.53 lakhs) and other bank gurantees amounts to ₹ 1,504.91 lakhs as at March 31, 2019 (as at March 31, 2018: ₹ 1,626.26 lakhs) has been considered as contingent liabilities (see note 34.1). These financial guarantees have been issued to banks under the supply agreements entered into with certain vendors.

34.11.7.1 Collateral held as security and other credit enhancements

The Company does not collect any collateral or other credit enhancements to cover its credit risks associated with its finacial assets.

34.11.8 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.

34.11.8.1 Liquidity risk tables

a) Expected maturity for non-derivative financial liabilities

₹ Lakhs

Particulars	Less than 1 month	1-3 months	3 months to 1 year	More than 1 year	Total
March 31, 2019					
Trade Payables	8,383.43	7,000.99	9,618.81	598.32	25,601.55
Other liabilities	256.02	-	614.75	394.73	1,265.50
Borrowings	622.55	1,934.72	6,480.54	20,989.71	30,027.50
March 31, 2018					
Trade Payables	19,850.92	3,038.09	9,823.00	-	32,712.01
Other liabilities	127.95	-	892.41	394.73	1,415.09
Borrowings	521.11	2,060.07	3,716.87	8,544.97	14,843.02

Notes forming part of the financial statements

Note	Particulars

34. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (CONTD.)

34.11.9 Financing facilities

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

₹ Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured bill acceptance facility, reviewed	**2,000.00**	**8,750.00**
-amount used	-	484.69
-amount unused	2,000.00	8,265.32
Secured bank overdraft facility :	**16,000.00**	**16,000.00**
-amount used	1,801.88	10,338.83
-amount unused	14,198.12	5,661.17
Secured letter of credit/ Bank Guarantee	**12,000.00**	**12,000.00**
-amount used	4,927.84	5,129.38
-amount unused	7,072.16	6,870.62
Secured bank loan facilities with various maturity dates through to March 31, 2019 and which may be extended by mutual agreement	**43,500.00**	**21,000.00**
-amount used	43,500.00	21,000.00
-amount unused	-	-

34.11.10 Fair value measurments

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

34.11.10.1 Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis
Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined:

Financial assets / (liabilities)

₹ Lakhs

Particulars	Fair value as at		Fair value hierarchy (Levels)	Valuation techniques and key inputs
	As at March 31,2019	As at March 31, 2018		
Investments in equity instruments	0.03	0.06	Level 1	Quoted bid prices in an active market

Note There are no transfers from Level 1 and Level 2 during the year end March 31, 2019

34.11.10.2 Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)
Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Notes forming part of the financial statements

Note **Particulars**

Financial assets / (liabilities)

₹ Lakhs

Particulars	Fair value hierarchy (Levels)	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost :					
Loan to employees	Level 3	113.19	94.18	127.52	107.65
Total		**113.19**	**94.18**	**127.52**	**107.65**
Financial liabilities					
Financial liabilities held at amortised cost:					
Borrowings	Level 3	20,995.16	19,469.70	8,544.97	7,870.67
Total		**20,995.16**	**19,469.70**	**8,544.97**	**7,870.67**

The fair values of the financial assets and financial liabilties incuded in the level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counterparties.

34.12 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 27, 2019.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number - 304026E/E-300009
Chartered Accountants

Rajib Chatterjee
Partner
Membership Number 057134

Place: Kolkata
Date: May 27, 2019

Suvamoy Saha
Wholetime Director (DIN: 00112375)

Amritanshu Khaitan
Managing Director (DIN: 00213413)

Indranil Roy Chowdhury
Joint CFO

Bibhu Ranjan Saha
Joint CFO

Place: Kolkata
Date: May 27, 2019

Tehnaz Punwani
Vice President - Legal & Company Secretary