Notes Accompanying to the Financial Statements

1. CORPORATE INFORMATION

Indo Count Industries Limited (the 'Company') is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Office No.1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanagale, Dist. Kolhapur-416109, Maharashtra, India.

The Company is one of India's leading Home Textiles manufacturer. The Company has focused in some of the world's finest fashion, institutional and utility bedding and has built significant presence across the globe. It exports to more than 54 countries.

The Financial statements of the Company for the year ended 31st March, 2018 were authorized for issue in accordance with a resolution of the Board of Directors on 4th May, 2018.

2. BASIS OF PREPARATION

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statement are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakhs, except otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

The Company has opted to follow cost model for accounting of its entire property, plant and equipment. Property, plant and equipment are stated at original cost inclusive of incidental expenses related to acquisition net of tax / duty credit availed, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes cost of property, plant and equipment under installation /under development as at the balance sheet date.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in schedule II to the Companies Act, 2013. Property, plant and equipment which are added/ disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

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The Company, based on technical assessment made by technical expert and management estimate, depreciates the certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of some items of plant, depreciation has been provided in range of 26 years (minimum) to 35 years (maximum) based on the technical evaluation of the remaining useful life which is different from the one specified in schedule II to the Companies Act, 2013.

Leased assets

Leasehold lands are amortised over the period of lease. Building constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other case, building constructed on leasehold lands are amortized over the primary lease period of the land.

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

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

3.2 Investment properties

Investment properties comprise portions of freehold land and office building that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognized at cost. Subsequently, investment property comprising of building is carried at cost less accumulated depreciation and impairment losses.

The cost includes the cost of replacing parts and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in schedule II to the Companies Act,2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the change arise.

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Notes Accompanying to the Financial Statements

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of derecognition.

3.3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

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

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

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

Research and Development Cost:

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss.

During the period of development, the asset is tested for impairment annually.

Notes Accompanying to the Financial Statements

Patents and Trade Marks:

The Company made upfront payments to purchase patents and trade-marks. The patents have been granted for a period of 20 years by the relevant agency with the option of renewal at the end of this period. Trade-marks for the use of intellectual property are granted for a period of 10 years with the option of renewal at the end of this period.

A summary trade-marks of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Trade-Marks	Finite (10 years)	Amortised on a straight-line basis over the period of the trade-mark	Acquired
Patents	Finite (20 years)	Amortised on a straight-line basis over the period of the patent	Acquired

3.4 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

3.5 Impairment of non-financial assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exits or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transaction are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculation are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Notes Accompanying to the Financial Statements

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the OCI). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3.6 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

a) Raw material, packing material, construction material, stores & spares:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

b) Finished goods and work in progress:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

c) Traded goods:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

d) Wastage and rejections are valued at estimated realizable value.

Slow and non-moving material, obsolescences, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.8 Foreign currency transactions

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

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they are arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items is recognized in line with the gain or losses of the item that gave arise to the translation difference (i.e. translation differences on items whose

Notes Accompanying to the Financial Statements

gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.9 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.10 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

Notes Accompanying to the Financial Statements

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

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

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

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

3.11 Revenue Recognition

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

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services:

Revenue from sale of service is recongised as per terms of the contract with customers when the outcome of the transactions involving rendering of services can be estimated reliably.

Interest Income:

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividends:

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Notes Accompanying to the Financial Statements

Lease Income:

Lease agreements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

3.12 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.13 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.14 Taxes

Current Income Tax:

- Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- Current income tax relating to items recognized directly in equity and not in the statement of profit and loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

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

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

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

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

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

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

3.15 Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

a) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

c) Income which relates to the Company as a whole and allocable to segments is included in unallocable income.

d) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax to the Company.

e) Segment assets and liabilities include those directly identifiable with respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

3.16 Leases

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

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of

Notes Accompanying to the Financial Statements

interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

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

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charges to the statement of profit and loss on straight line basis.

3.17 Employee benefits

i) Short-term employee benefits

All employee benefits payable only within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the excepted cost of bonus, ex-gratia, and incentives are recognized in the period during which the employee renders the related service.

ii) Post-employment benefits

a) Defined contribution plans

State Government Provident Scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized in the statement of profit and loss during the period in which the employee renders the related services.

b) Defined Benefit Plans

The employee Gratuity Fund scheme and Leave Encashment scheme managed by different trusts are defined benefit plans.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

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

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Long-term employee benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expenses in the period in which they are incurred.

3.18 Provision, Contingent liabilities, Contingent assets and Commitments

General

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

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provision, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Liquidated damages

Provision for liquidated damages are recognized on contracts for which delivery dates are exceeded and computed in reasonable manner.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

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Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

3.19 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3.20 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

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

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

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

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations,

Or

- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

3.21 Financial Instruments

i) Financial assets

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

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Subsequent measurement

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

- Financial asset at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

All Equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or

Notes Accompanying to the Financial Statements

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;

a) The Company has transferred substantially all the risks and rewards of the asset, or

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in associates, joint venture, and subsidiaries at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12- months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

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

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial

Notes Accompanying to the Financial Statements

recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognize impairment loss allowance based on 12-months ECL.

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

ii) Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowing are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Notes Accompanying to the Financial Statements

Derecognition

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

iii) Offsetting of financial instruments

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

iv) Derivative financial instruments and hedge accounting

The company enters into derivative contracts to hedge foreign currency /price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, expect for the effective portion of cash flow hedges, which is recognized in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

3.22 Business combination under common control

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respects of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

3.23 Preference Shares

i) Non-convertible Preference Shares

On issuance of non-convertible preference shares, the fair value is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Notes Accompanying to the Financial Statements

ii) Convertible Preference Shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

3.24 The MCA has notified Companies (Indian Accounting Standards) (Amendment) Rules, 2018 to amend the following Ind-AS's. The amendment will come into force from accounting period commencing on or after 1st April, 2018 :

i) Ind AS 115 Revenue from Contracts with Customers

The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognise revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transaction options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period.

Alternatively an entity can recognize the cumulative effect of applying the new standard at the date of initial application and make no adjustments to its comparative information.

ii) Ind AS 21 The effects of changes in Foreign Exchange Rates

The newly inserted Appendix B to Ind As 21, "Foreign Currency Transactions and Advance Consideration" clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The Company intends to adopt these Standards when it becomes effective. The Company is in the process of assessing the possible impact of the above standards and will adopt the amendments on the required effective date.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the financial statements.

Notes Accompanying to the Financial Statements

Estimates and assumptions

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

Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans

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

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the Standalone Financial Statements

5. PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Land - Leasehold	Land - Freehold	Buildings *	Plant & Machinery **	Furniture & Fixtures	Factory & Office Equipments	Vehicles	Total	Capital Work in Progress ***
Gross Carrying Amount									
As at 01.04.2017	**833.70**	**220.45**	**12,697.98**	**66,746.99**	**630.67**	**1,059.98**	**426.95**	**82,616.72**	**1,207.53**
Additions	–	–	247.52	3,732.28	27.00	166.23	24.78	4,197.81	1,147.25
Disposals / Transfers	–	–	–	551.44	–	–	10.66	562.10	-
As at 31.03.2018	**833.70**	**220.45**	**12,945.50**	**69,927.83**	**657.67**	**1,226.21**	**441.07**	**86,252.43**	**2,354.78**
Accumulated Depreciation									
As at 01.04.2017	**41.53**	**-**	**3,202.25**	**28,688.51**	**273.25**	**553.88**	**136.32**	**32,895.74**	**-**
Depreciation charged for the year	3.71	–	386.14	2,332.36	52.42	136.07	48.39	2,959.09	–
Disposals / Transfers	–	–	–	457.63	–	–	10.11	467.74	–
As at 31.03.2018	**45.24**	**-**	**3,588.39**	**30,563.24**	**325.67**	**689.95**	**174.60**	**35,387.09**	**-**
Net Carrying Amount									
As at 31.03.2017	**792.17**	**220.45**	**9,495.73**	**38,058.48**	**357.42**	**506.10**	**290.63**	**49,720.98**	**1,207.53**
As at 31.03.2018	**788.46**	**220.45**	**9,357.11**	**39,364.59**	**332.00**	**536.26**	**266.47**	**50,865.34**	**2,354.78**

* a) Includes 10 shares of ₹ 50 each of Arcadia Premises Co-operative Society Limited.

b) Includes 10 shares of ₹ 50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

** Includes addition on account of foreign exchange fluctuations of ₹ 106.78 lakhs (previous year ₹ 153.41 lakhs).

*** Does not include Capital Advances of ₹ 203.14 lakhs (previous year ₹ 80.69 lakhs).

Notes to the Standalone Financial Statements

6. OTHER INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2017	**377.10**	**52.21**	**429.31**
Additions	86.63	79.88	166.51
Disposals / Transfers	–	–	–
As at 31.03.2018	**463.73**	**132.09**	**595.82**
Accumulated Depreciation			
As at 01.04.2017	**216.15**	**16.59**	**232.74**
Depreciation charged for the year	75.34	11.99	87.33
Disposals / Transfers	–	–	–
As at 31.03.2018	**291.49**	**28.58**	**320.07**
Net Carrying Amount			
As at 31.03.2017	**160.95**	**35.62**	**196.57**
As at 31.03.2018	**172.24**	**103.51**	**275.75**

7. NON-CURRENT INVESTMENTS

Particulars		No. of Shares		₹ in lakhs	
		As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
- Quoted					
Subsidiary Company					
In fully paid up equity shares of ₹ 10 each					
Pranavaditya Spinning Mills Limited		1,43,41,280	1,43,41,280	1,434.13	1,434.13
Others					
HDFC Liquid Fund Growth		9.340	6.370	0.32	0.20
Union Prudence Fund		99,990		9.85	–
SUB TOTAL	**A**			**1,444.30**	**1,434.33**
- Unquoted					
Subsidiary Company					
In fully paid up equity shares					
Indo Count Global Inc., USA		800	800	446.18	446.18
Indo Count UK Limited		86,000	86,000	79.62	79.62
Indo Count Retail Ventures Pvt. Ltd.		8,250	8,250	0.82	0.82
Indo Count Australia Pty Ltd.		1,000	–	0.52	–
Hometex Global DMCC, UAE		50	–	8.83	–
SUB TOTAL	**B**			**535.97**	**526.62**
TOTAL	**A+B**			**1,980.27**	**1,960.95**
Aggregate value of:					
Quoted Investments				1,444.30	1,434.33
Unquoted Investments				535.97	526.62
Market Value of Quoted Investments				2,304.77	5,098.52

Notes to the Standalone Financial Statements

8. NON-CURRENT FINANCIAL LOANS (Unsecured-considered good)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Security Deposits	96.74	150.13
Deferred Expenditure	18.75	40.74
TOTAL	**115.49**	**190.87**

9. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Balances with Banks		
Held as margin / Fixed deposits	0.01	0.01
TOTAL	**0.01**	**0.01**

a) Includes receipts for ₹ 0.01 lakhs (previous year ₹ 0.01 lakhs) lodged with Sales Tax Department.

10. OTHER NON-CURRENT ASSETS (Unsecured-considered good)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Capital Advances	203.14	80.69
Security Deposits	111.35	40.58
TOTAL	**314.49**	**121.27**

11. INVENTORIES

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Raw Materials *	17,737.54	13,499.21
Work in Progress	18,246.84	14,365.02
Finished Goods	12,902.97	5,695.89
Waste	22.45	16.79
Stores & Spares **	3,014.50	1,818.03
Dyes and Chemicals ***	517.48	383.79
TOTAL	**52,441.78**	**35,778.73**

* includes goods in transit ₹ 3,380.66 lakhs (previous year ₹ 1,115.07 lakhs)

** includes goods in transit ₹ 75.12 lakhs (previous year ₹ 53.60 lakhs)

*** includes goods in transit ₹ 85.80 lakhs (previous year ₹ 59.90 lakhs)

Notes to the Standalone Financial Statements

12. CURRENT TRADE RECEIVABLES (Unsecured-considered good)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Exceeding Six Months	356.89	202.96
Others *	32,141.40	36,452.08
TOTAL	**32,498.29**	**36,655.04**

* Includes amount receivable from Foreign Subsidiary Company ₹ 5,793.09 lakhs (previous year ₹ 8.658.94 lakhs).

(ii) Includes amount receivable from Indian Subsidiaries ₹ 782.01 lakhs (previous year ₹ 163.57 lakhs).

13. CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Cash in hand	12.37	7.99
Balances with Banks		
In Current Accounts *	1,101.67	747.74
TOTAL	**1,114.04**	**755.73**

* Includes balance in current account with The Kolhapur Urban Co-operative Bank Ltd. ₹ 2.13 lakhs (previous year ₹ 2.01 lakhs) maximum amount outstanding anytime during the year ₹ 7.77 lakhs (previous year ₹ 2.54 lakhs).

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Balances with Banks		
Held as margin / Fixed deposits	248.55	281.03
TOTAL	**248.55**	**281.03**

a) Includes receipts for ₹ 163.49 lakhs (previous year ₹ 195.97 lakhs) held with bank as margin money against guarantee for Letters of Credit.

b) Includes receipts for ₹ 0.05 lakhs (previous year ₹ 0.05 lakhs) lodged with Excise Department.

c) Includes receipts for ₹ 85.00 lakhs (previous year ₹ 85.00 lakhs) held with bank as margin money against guarantee given to MSEB on behalf of Indian Subsidiary.

15. CURRENT FINANCIAL LOANS (Unsecured-considered good)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Security Deposits	16.26	22.22
TOTAL	**16.26**	**22.22**

Notes to the Standalone Financial Statements

16. OTHER CURRENT FINANCIAL ASSETS (Unsecured-considered good)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Advance to Subsidiary	20.77	-
Derivative Asset	5,660.98	5,726.52
Others	267.23	453.82
TOTAL	**5,948.98**	**6,180.34**

17. CURRENT TAX ASSETS

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Advance Income Tax (including tax deducted at source)	444.72	1,310.14
Refund Due	57.04	57.04
MAT Credit Entitlement	–	380.88
TOTAL	**501.76**	**1,748.06**

18. OTHER CURRENT ASSETS (Unsecured-considered good)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Export Incentives / Claims recoverable	6,319.24	6,088.72
Balances with Excise / Service Tax Authorities	102.48	278.00
Balances with VAT/GST Authorities	7,578.34	1,322.34
Interest Accrued on Loans & Deposits	4.55	5.46
Advance to Suppliers *	698.96	549.31
Others	1,054.91	920.48
Security Deposits	4.01	4.01
TOTAL	**15,762.49**	**9,168.32**

* Includes advance to an Indian Subsidiary ₹ 282.48 lakhs (previous year ₹ 400.00 lakhs).

Notes to the Standalone Financial Statements

19. SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Authorised:		
Equity Shares		
27,50,00,000 shares of ₹ 2 each	5,500.00	5,500.00
Preference Shares		
50,00,000 shares of ₹ 10 each	500.00	500.00
TOTAL	**6,000.00**	**6,000.00**
Issued, Subscribed and Paid-Up :		
Equity Shares		
19,73,99,670 shares of ₹ 2 each	3,947.99	3,947.99
TOTAL	**3,947.99**	**3,947.99**

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Authorised :				
Equity Shares of ₹ 2 each				
Balance at the beginning of the year	27,50,00,000	5,500.00	5,50,00,000	5,500.00
Increase due to Sub-Division *	–	–	22,00,00,000	–
Balance at the end of the year	**27,50,00,000**	**5,500.00**	**27,50,00,000**	**5,500.00**
Preference Shares of ₹ 10 each				
Balance at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Balance at the end of the year	**50,00,000**	**500.00**	**50,00,000**	**500.00**
TOTAL	**28,00,00,000**	**6,000.00**	**28,00,00,000**	**6,000.00**
Issued, Subscribed and Paid-Up :				
Equity Shares of ₹ 2 each				
Balance at the beginning of the year	19,73,99,670	3,947.99	3,94,79,934	3,947.99
Increase due to Sub-Division *	–	–	15,79,19,736	–
Balance at the end of the year	**19,73,99,670**	**3,947.99**	**19,73,99,670**	**3,947.99**

* Pursuant to the approval of Board of Directors and members of the Company, w.e.f. 15th November, 2016 ("Record Date"), an equity share of face value of ₹ 10 sub-divided into 5 equity shares of face value of ₹ 2 each.

(b) Terms / rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of ₹ 2 each. Each holder of equity shares is entitled to one vote per share, the company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Notes to the Standalone Financial Statements

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

(c) Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	As at 31.03.2018		As at 31.03.2017	
	No. of shares	Percentage	No. of shares	Percentage
Indo Count Securities Limited	3,10,41,385	15.73%	3,10,41,385	15.73%
Sandridge Investments Limited (Formerly Swastik Investment Corporation)	6,20,02,455	31.41%	6,20,02,455	31.41%
Elm Park Fund Ltd.	–	–	1,17,40,955	5.95%

d) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

(e) Dividend paid and proposed

(₹ in lakhs)

Particulars	2017-18	2016-17
Final Dividend for F.Y. 2015-16: ₹ 1 per share (face value of ₹ 10 each)	–	394.80
Interim Dividend for F.Y. 2016-17: ₹ 0.40 per share (face value of ₹ 2 each)	–	789.60
Final Dividend for F.Y. 2016-17: ₹ 0.40 per share (face value of ₹ 2 each)	789.60	–
Interim Dividend for F.Y. 2017-18: ₹ 0.40 per share (face value of ₹ 2 each)	789.60	–

Nature and purpose of reserves:

i) Capital Reserve:

Capital Reserve standing in books against capital subsidy received against establishing manufacturing unit.

ii) Capital Redemption Reserve:

Capital Redemption Reserve was created for redemption of Preference Shares as per requirement of provisions of Companies Act, 2013. The Company may issue fully paid bonus shares to its members out of the capital redemption reserve account.

iii) Securities Premium Reserve:

Securities premium reserve is created when shares issued at premium. The Company may issue fully paid up bonus shares to its members or can buy-back of shares out of the security premium reserve account.

Notes to the Standalone Financial Statements

20. NON-CURRENT BORROWINGS (SECURED)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
1) Term Loan		
Rupee loans		
From Banks (a)	1,395.81	-
From Financial Institutions (a)	2,445.02	440.00
2) Foreign Currency Loan		
Buyers Credit (b)	1,043.22	1,698.64
TOTAL	**4,884.05**	**2,138.64**

a) Secured by first pari-passu charge by way of mortgage of immovable properties of the company situated at Kolhapur, and by second pari-passu charge on hypothecation of all movable properties and current assets of the Company both present and future. Loans (including amounts appearing in current maturities of long term debts of ₹ 630.16 lakhs (previous year ₹ 200.00 lakhs).

b) Secured against machinery acquired, (including amount appearing in current maturity of long term debts ₹ 657.92 lakhs (previous year ₹ 533.87 lakhs).

(₹ in lakhs)

Particulars	Maturity Profile				
	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-6 Years
1) Term Loan					
Rupee Loans					
From Banks	492.89	500.00	375.00	-	-
From Financial Institutions	520.62	520.62	520.62	520.62	390.47
2) Foreign Currency Loan					
Buyers Credit	657.92	291.50	93.79	-	-
TOTAL	**1,671.43**	**1,312.12**	**989.41**	**520.62**	**390.47**

21. NON-CURRENT PROVISIONS

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for Employee Benefits	327.24	181.41
TOTAL	**327.24**	**181.41**

Notes to the Standalone Financial Statements

22. INCOME TAX

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

STATEMENT OF PROFIT AND LOSS:

Profit or Loss Section (₹ in lakhs)

Particulars	31.03.2018	31.03.2017
Current income tax:		
Current income tax charge	6,636.28	9,231.18
Adjustments in respect of current income tax of previous year	13.95	(272.26)
Deferred tax:		
Relating to origination and reversal of temporary differences	455.67	3,048.75
Income tax expense reported in the statement of profit or loss	**7,105.90**	**12,007.67**

Other Comprehensive Income (OCI) section

Deferred Tax related to items recognised in OCI during in the year: (₹ in lakhs)

Particulars	31.03.2018	31.03.2017
Net loss/(gain) on remeasurements of defined benefit plans	13.65	(58.47)
Income tax charged to OCI	**13.65**	**(58.47)**

DEFERRED TAX (₹ in lakhs)

Particulars	Balance Sheet		Profit & Loss	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Deferred Tax relates to the following:				
Expenses allowable on payment basis	185.43	219.59	34.16	(92.55)
Incomes allowable on receipt basis	(1,959.15)	(1,987.87)	(28.72)	1,681.41
Accelerated depreciation for tax purpose	(10,190.34)	(9,726.46)	463.88	1,401.42
	(11,964.06)	**(11,494.74)**	**469.32**	**2,990.28**
Deferred Tax expenses /(income)				
- Recognised in Profit & Loss	–	–	455.67	3,048.75
- Recognised in OCI	–	–	13.65	(58.47)
Deferred Tax Assets/ (Liabilities)	(11,964.06)	(11,494.74)	–	–
	(11,964.06)	**(11,494.74)**	**469.32**	**2,990.28**

Deferred tax asset in respect of long term capital losses of ₹ 67.50 lakhs (previous year ₹ 67.50 lakhs) has not been recognised in view of uncertainity of its realisation.

Reflected in the balance sheet as follows: (₹ in lakhs)

Particulars	31.03.2018	31.03.2017
Deferred Tax Assets	185.43	219.59
Deferred Tax Liabilities	(12,149.49)	(11,714.33)
Deferred Tax Liabilities (Net)	**(11,964.06)**	**(11,494.74)**

Reconciliation of deferred tax liabilities (net) (₹ in lakhs)

Particulars	31.03.2018	31.03.2017
Opening Balance as of 1st April	**(11,494.74)**	**(8,504.46)**
Income/(expense) during the year recognised in Profit or Loss	(455.67)	(3,048.75)
Income/(expense) during the year recognised in OCI	(13.65)	58.47
Closing Balance as at 31st March	**(11,964.06)**	**(11,494.74)**

Notes to the Standalone Financial Statements

23. CURRENT BORROWINGS (SECURED)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Loans repayable on Demand		
From Banks (a)		
- In Rupees	30,889.69	23,822.83
TOTAL	**30,889.69**	**23,822.83**

(a) Secured by first pari-passu charge by hypothecation on all Current Assets and movable assets and further secured by second pari-pasu charge on immovable properties of the company situated at kolhapur both present and future.

24. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Total outstanding dues of Micro Enterprises and Small Enterprises (a)	–	-
Others	18,131.07	12,737.84
TOTAL	**18,131.07**	**12,737.84**

(a) The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

25. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Current Maturities of Long Term Debts	1,288.08	733.87
Interest Accrued but not due on Borrowings	9.30	12.78
Acceptances	–	5,883.25
Unpaid Dividend (a)	70.77	37.14
Other Payables	925.17	1,067.94
TOTAL	**2,293.32**	**7,734.98**

(a) There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

26. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Advance from Customers	123.25	33.42
Other Payables	1,938.29	3,037.71
TOTAL	**2,061.54**	**3,071.13**

27. CURRENT PROVISIONS

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for Employee benefits	–	151.43
TOTAL	**-**	**151.43**

Notes to the Standalone Financial Statements

28. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets.

(i) Movement in provisions :

(₹ in lakhs)

Particulars	Bank Guarantees *		Excise duty/ Customs duty/ Service Tax	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Carrying amount at the beginning of the year **	446.57	583.38	168.16	211.58
Add : Provision made during the year #	83.83	-	-	-
Less: Amounts used during the year	-	136.81	19.54	43.42
Unused amounts reversed during the year #	-	-	-	-
Carrying amount at the end of the year **	**530.40**	**446.57**	**148.62**	**168.16**

(₹ in lakhs)

Particulars	Other litigation claims		Corporate Bank Guarantee		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Carrying amount at the beginning of the year **	17.70	16.92	6,160.75	6,294.23	6,793.18	7,106.11
Add : Provision made during the year #	0.78	0.78	31.35	-	115.96	0.78
Less: Amounts used during the year	-	-	-	133.48	19.54	313.71
Unused amounts reversed during the year #	-	-	-	-	-	-
Carrying amount at the end of the year **	**18.48**	**17.70**	**6,192.10**	**6,160.75**	**6,889.60**	**6,793.18**

* Includes ₹ 85.00 lakhs provided to an Indian Subsidiary as margin money with banks in form of fixed deposit.

** Carrying amounts comprise of non-current and current provisions.

Additional provision made during the year and reversal of unused amount are included in the respective head of accounts.

(ii) Nature of provisions:

(a) Bank guarantee amount is held by banks by way of margin money in the form of fixed deposits, for various credit facilities.

(b) Provision for excise duty /customs duty / service tax represents the differential duty liability that is expected to materialise in respect of matters in appeal.

(c) Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

(d) Corporate Bank guarantee amount represents guarantee given to a foreign bank on behalf of a foreign subsidiary and to MSEB for power supply by way of margin money in the form of fixed deposits, provided on behalf of an Indian subsidiary company.

Notes to the Standalone Financial Statements

29. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Sale of Products *	1,54,776.49	1,80,097.87
Sale of Services	8.26	2.48
Export Incentives / Benefits	16,133.89	18,859.94
REVENUE FROM OPERATIONS	**1,70,918.64**	**1,98,960.29**

* a) Includes sale to a Foreign subsidiary ₹ 10,836.66 lakhs (previous year ₹ 22,205.22 lakhs).

b) Includes sale to Indian subsidiaries ₹ 954.53 lakhs (previous year ₹ 379.88 lakhs).

30. OTHER INCOME

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Interest Banks	15.17	34.88
Interest Others	322.61	644.21
TUFS Subsidy received	-	10.01
Miscellaneous Receipts and Incomes	385.95	59.67
Insurance claim received	14.17	10.56
Profit on sale of assets	-	0.55
Exchange rate difference (Net)	9,079.21	3,732.02
Rent received	1.20	-
Mark to Market on Forward Contracts	-	4,863.75
Previous Year Income	2.29	-
Sundry balances / Excess provision written back (Net)	5.73	11.73
Liability no longer payable written back	85.34	146.77
TOTAL	**9,911.67**	**9,514.15**

31. COST OF MATERIALS CONSUMED

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Raw Material & Components Consumed		
Opening Stock	13,499.21	10,360.28
Add : Purchases (a)	1,09,324.79	1,12,129.52
SUB-TOTAL	**1,22,824.00**	**1,22,489.80**
Less : Closing Stock	17,737.54	13,499.21
COST OF MATERIALS CONSUMED	**1,05,086.46**	**1,08,990.59**

(a) Includes purchases from an Indian subsidiary ₹ 808.58 lakhs (previous year ₹ 58.57 lakhs).

Notes to the Standalone Financial Statements

32. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in lakhs)

Particulars		For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Opening Stock			
Finished Goods		5,695.89	4,891.41
Stock in Process		14,365.02	11,837.49
Waste		16.79	11.16
SUB - TOTAL	**A**	**20,077.70**	**16,740.06**
Less : Closing Stock			
Finished Goods		12,902.97	5,695.89
Stock in Process		18,246.84	14,365.02
Waste		22.47	16.79
SUB - TOTAL	**B**	**31,172.28**	**20,077.70**
(INCREASE)/ DECREASE IN STOCK	**A-B**	**(11,094.58)**	**(3,337.64)**

33. EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Salaries & Wages	9,088.54	8,420.72
Director's Remuneration	902.28	1,728.87
Contribution to Provident & Other Funds	585.83	688.85
Gratuity	116.10	159.82
Staff Welfare Expenses	252.86	263.70
Recruitment & Training expenses	49.99	52.90
TOTAL	**10,995.60**	**11,314.86**

34. FINANCE COST

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Interest Expense		
-On Term Loans	129.14	156.41
-Banks	1,860.24	2,683.57
-Others	125.31	25.83
Bank Charges	1,077.28	1,013.35
Finance Procurement Charges	81.61	63.91
TOTAL	**3,273.58**	**3,943.07**

35. DEPRECIATION & AMORTISATION EXPENSE

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Depreciation	3,046.42	3,118.05
TOTAL	**3,046.42**	**3,118.05**

Notes to the Standalone Financial Statements

36. OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
Consumption of Stores/Dyes and Packing Materials	14,857.30	15,205.59
Jobwork Charges	16,079.73	16,432.28
Power & Fuel	7,578.02	6,631.88
Rent (a)	329.76	418.59
Rates, Taxes & Fees	358.74	265.54
Insurance	222.30	272.83
Repairs to Machinery	445.45	630.33
Repairs to Buildings	182.32	129.45
Commission & Brokerage	1,383.10	1,482.27
Freight Outward	2,392.44	2,884.76
Other Selling Expenses	1,029.51	1,853.33
Loss on Sale of Assets	34.99	108.66
Loss in value of NAV of Mutual Funds	0.13	-
Bad debts/Advances written off	2.52	-
Mark to Market on Forward Contracts	65.54	-
Miscellaneous Expenses (b)	3,155.24	3,319.57
TOTAL	**48,117.09**	**49,635.08**

(a) Including Operating Lease

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
A) The total of future minimum lease payments under non-cancellable operating leases for each of the following years:		
i) Not later than one year	298.99	288.95
ii) Later than one year and not later than five years,	297.71	499.47
iii) Later than five years,		
B) The total of future minimum sub-lease payments expected to be received under non cancellable sub leases at the balance sheet date,	-	-
C) Lease payments recognized in the Statement of Profit & Loss	146.18	272.60

(b) Includes Payment to Auditors

(₹ in lakhs)

Particulars	For the year 01.04.2017 to 31.03.2018	For the year 01.04.2016 to 31.03.2017
As Statutory Audit Fees	13.00	13.00
As Quarterly Audit / Limited Review Fees	9.00	9.00
As Tax Audit Fees	3.00	3.00
For Tax Representations	2.75	1.50
For Certification Work	0.18	0.43
In Other Capacity	1.15	1.15
For Reimbursement of Expenses	1.97	3.22
TOTAL	**31.05**	**31.30**

Notes to the Standalone Financial Statements

37. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

A. Contingent Liabilities (₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
i) Bank Guarantees *	530.40	446.57
ii) Excise Duty / Custom Duty / Service Tax demands disputed in Appeals	148.62	168.16
iii) Pending Labour Cases	18.48	17.70
iv) Corporate Guarantee given to a Foreign Bank outside India for securing financial assistance to:		
- A Foreign Subsidiary	6,192.10	6,160.75

* Includes ₹ 85.00 lakhs provided to an Indian Subsidiary as margin money with banks in form of fixed deposit.

(a) In terms of EPCG Licence issued, the company has undertaken an export obligation for ₹ 58,156 lakhs, which is to be fulfilled over a period of 8 years. The company has completed the export obligation to the extent of ₹ 51,823 lakhs till the year end, of which licenses of ₹ 44,990 lakhs redeemed by the DGFT and the application for redemption of license submitted for ₹ 6,833 lakhs. The export obligation for ₹ 6,333 lakhs is to be fulfilled over a period of 8 years.

(b) In terms of advance license obtained for import of raw materials the company has undertaken an export obligation for USD 18.950 Mn. which is to be fulfilled over a period of 2 years. The company has completed the obligation to the extent of USD 18.950 Mn. The license redeemed by the DGFT amounting to USD 12.708 Mn. The balance licenses of USD 6.248 Mn. is submitted to DGFT for redemption.

(c) Under the package scheme of incentives of Government of Maharashtra for Mega Projects, the Company was eligible for VAT and Electricity duty refund benefits. However, if it contravenes any of the conditions of the scheme or eligibility certificate of entitlement or agreement, it shall repay forthwith the entire benefits drawn / availed alongwith interest thereon together with costs, charges and expenses thereon.

(d) No provision has been made in the accounts towards electricity duty on electricity generated for captive use during the period 01.04.2000 to 30.04.2005 amounting to ₹ 292.07 lakhs (previous year ₹ 292.07 lakhs) excluding interest, as the company has won the case against MSEDCL vide order number 2204 of 2007 dated 07.11.2009 of the Hon'ble High Court of Jurisdiction at Mumbai whereby it was decided that no such duty is payable. MSEDCL has taken up this matter before Supreme Court with condonation of delay and matter is yet to be heard. As the matter is subjudice, the management feels that no provision is necessary.

B. Commitments (₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	1,383.16	1,504.23
b) Letters of Credit opened for which the material has not yet been shipped	-	138.47

Notes to the Standalone Financial Statements

38. RELATED PARTY DISCLOSURES

Related party disclosures as required by IND-AS 24 "Related Party Disclosures" are given below:

i) Key Management Personnel

1.	Shri Anil Kumar Jain	Executive Chairman
2.	Shri Mohit Jain	Managing Director (w.e.f. 09.05.2016)
3.	Shri R. N. Gupta	Joint Managing Director (upto 09.05.2016)
4.	Shri K. R. Lalpuria	Executive Director (upto 13-11-2017)
5.	Shri Kamal Mitra	Director (Works)
6.	Shri P. N. Shah	Independent Director
7.	Shri R. Anand	Independent Director
8.	Shri Dilip Thakkar	Independent Director
9.	Shri Prem Malik	Independent Director
10.	Shri Sushil Kumar Jiwarajka	Independent Director (upto 13-11-2017)
11.	Dr. (Mrs.) Vaijayanti Pandit	Independent Director

ii) Relatives of Key Management Personnel

1. Smt. G. D. Jain
2. Smt. Shikha Jain

iii) Parties where Control Exists

A. Subsidiaries

1. Pranavaditya Spinning Mills Ltd.
2. Indo Count Retail Ventures Pvt. Ltd.
3. Indo Count Global Inc., (USA)
4. Indo Count UK Ltd., (United Kingdom)
5. Indo Count Australia PTY Ltd.
6. Hometex Global DMCC, UAE

B. Associates

1. A. K. Jain HUF

C. Others

1. Indo Count Foundation

(₹ in lakhs)

Particulars	Associates / Subsidiaries	Relatives of Key Management Personnel	Key Management Personnel	Others	Total
Remuneration Paid	-	38.99	902.28	-	941.27
	(-)	(35.28)	(1,889.48)	(-)	(1,924.76)
Commission Paid	254.05	-	6.00	-	260.05
	(136.22)	(-)	(6.00)	(-)	(142.22)
Sitting Fees	-	-	14.00	-	14.00
	(-)	(-)	(6.90)	(-)	(6.90)
Commission Received	15.37	-	-	-	15.37
	(15.40)	(-)	(-)	(-)	(15.40)

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Associates / Subsidiaries	Relatives of Key Management Personnel	Key Management Personnel	Others	Total
Rent Received	3.24	-	-	-	3.24
	(-)	(-)	(-)	(-)	(-)
Sale of Goods	10,966.27	-	-	-	10,966.27
	(22,585.10)	(-)	(-)	(-)	(22,585.10)
Lease Rent Paid	75.17	-	-	-	75.17
	(70.16)	(-)	(-)	(-)	(70.16)
Reimbursement of Expenses	-	-	-	-	-
	(85.83)	(-)	(-)	(-)	(85.83)
CSR Expenses	-	-	-	225.29	225.29
	(-)	(-)	(-)	(248.75)	(248.75)
Purchase of Goods	809.00	-	-	-	809.00
	(58.57)	(-)	(-)	(-)	(58.57)
Sale of Machinery	7.16	-	-	-	7.16
	(131.06)	(-)	(-)	(-)	(131.06)
Advance given against Purchase of Goods	282.48				282.48
	(400.00)	(-)	(-)	(-)	(400.00)
Balance outstanding at the end of year					
a) Investments	1,969.27	-	-	-	1,969.27
	(1,959.93)	(-)	(-)	(-)	(1,959.93)
b) Sundry Debtors	6,754.10	-	-	-	6,754.10
	(9,049.06)	(-)	(-)	(-)	(9,049.06)
c) Deposit - Rent	15.60	-	-	-	15.60
	(15.60)	(-)	(-)	(-)	(15.60)
d) Advance to Indian Subsidiary for Purchases	282.48	-	-	-	282.48
	(400.00)	(-)	(-)	(-)	(400.00)
e) Other Payables					
Remuneration Payable	-	-	214.21	-	214.21
	(-)	(-)	(974.41)	(-)	(974.41)
Commission Payable	48.35	-	6.00	-	54.35
	(53.38)	(-)	(6.00)	(-)	(59.38)

a) Previous year figures are given in brackets.

b) Related parties enlisted above are those having transactions with the Company.

Notes to the Standalone Financial Statements

39. It is management's opinion that since the Company is exclusively engaged in the activity of manufacture of textile products which are governed by the same set of risks and returns. The same are considered to constitute a single reportable segment in the context of Indian Accounting Standard (Ind AS) 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India.

40. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The particulars of expenditure are as follows:

a) Gross amount required to be spent by the Company during the year was ₹ 619.92 lakhs (previous year ₹ 463.05 lakhs).

b) Amount incurred during the year on:

Particulars	₹ in lakhs
i) Construction / acquisition of asset	-
ii) On purpose other than (i) above	225.29

Out of the above, the Company has paid ₹ 225.29 lakhs (previous year ₹ 248.75 lakhs) to Indo Count Foundation.

41. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars	UOM	For the year ended 31.03.2018	For the year ended 31.03.2017
Face value of equity shares (refer footnote to note 19 (a))	₹	2.00	2.00
Weighted average number of equity shares outstanding	Nos.	19,73,99,670	19,73,99,670
Profit for the year (continuing operations)	₹ In lakhs	13,107.57	22,802.76
Weighted average earnings per share (basic and diluted)	₹	6.64	11.55

42. OTHER INFORMATION

(₹ in lakhs)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
CIF value of Imports		
Capital Goods	2,015.72	2,710.83
Raw Materials	3,520.84	5,496.69
Stores/ Dyes and Packing Materials	1,021.81	890.15
Expenditure in Foreign Currency		
Travelling	169.46	132.07
Selling Commission / Claims	1,669.18	1,654.76
Others	669.98	1,420.57
Earnings in Foreign Currency		
FOB Value of Exports	1,50,079.06	1,67,417.77

Notes to the Standalone Financial Statements

43. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

Defined contribution plans:

Amount of ₹ 585.83 lakhs (previous year ₹ 688.85 lakhs) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans (Refer Note 33, supra):

(₹ in lakhs)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Benefits		
Provident Fund	505.77	625.93
Employee State Insurance Scheme	77.36	60.17
Labour Welfare Scheme	2.70	2.75
TOTAL	**585.83**	**688.85**

Defined benefit plans:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

Leave Encashment benefit

The Company provides for leave encashment, a defined benefit retirement plan covering eligible employees. The Leave Encashment Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 12 days salary for each completed year of service, subject to maximum of 90 days till retirement.

The Company makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	2017-18 (funded)	2016-17 (funded)	2017-18 (funded)	2016-17 (funded)
Change in present value of defined benefit obligation during the year				
Present Value of defined benefit obligation at the beginning of the year	1,376.95	999.16	337.13	214.79
Interest cost	106.03	70.34	25.96	15.12
Current service cost	156.10	149.79	129.41	97.23
Past service cost	-	-	-	-
Liability transfer from other Company	-	-	-	-
Liability transferred out/ divestment	-	-	-	-
Benefits paid directly by employer	-	-	-	-

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	2017-18 (funded)	2016-17 (funded)	2017-18 (funded)	2016-17 (funded)
Benefits paid	(52.05)	(21.02)	(37.15)	(26.40)
Actuarial changes arising from changes in demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(97.55)	239.76	(22.24)	(144.03)
Actuarial changes arising from changes in experience adjustments	49.80	(61.09)	25.82	180.42
Present Value of defined benefit obligation at the end of the year	**1,539.29**	**1,376.95**	**458.92**	**337.13**
Change in fair value of plan assets during the year				
Fair value of plan assets at the beginning of the year	1,047.75	922.42	389.50	363.67
Interest Income	78.07	76.38	28.94	30.02
Contributions paid by the employer	195.50	69.97	15.67	22.21
Benefits paid from the fund	(47.31)	(21.02)	(37.15)	(26.40)
Assets transferred out/ divestment	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
Fair value of plan assets at the end of the year	**1,274.01**	**1,047.75**	**396.96**	**389.50**
Net asset/ (liability) recognised in the balance sheet				
Present Value of defined benefit obligation at the end of the year	1,539.29	1,376.95	458.92	337.13
Fair value of plan assets at the end of the year	1,274.01	1,047.75	396.96	389.50
Amount recognised in the balance sheet	265.28	76.74	61.96	(52.36)
Net (liability)/ asset- current	-	-	-	-
Net (liability)/ asset- non-current	(265.28)	(329.20)	-	-
Expenses recognised in the statement of profit and loss for the year				
Current service cost	154.21	149.79	127.97	97.23
Interest cost on benefit obligation (Net)	19.64	3.68	(1.71)	(10.33)
Total expenses included in employee benefits expense	**173.85**	**153.47**	**-**	**-**
Actuarial changes arising from changes in demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	-	-	(22.24)	(144.03)
Actuarial changes arising from changes in experience adjustments	-	-	25.82	180.42
Return on plan assets excluding interest income	-	-	0.22	(4.56)
Total expenses included in employee benefits expense	**-**	**-**	**130.06**	**119.72**

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	2017-18 (funded)	2016-17 (funded)	2017-18 (funded)	2016-17 (funded)
Recognised in other comprehensive income for the year				
Actuarial changes arising from changes in demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(97.55)	239.76	-	-
Actuarial changes arising from changes in experience adjustments	(61.09)	68.22	-	-
Return on plan assets excluding interest income	(9.72)	(1.21)	-	-
Recognised in other comprehensive income	**(168.35)**	**307.77**	**-**	**-**
Maturity profile of defined benefit obligation				
Within the next 12 months (next annual reporting period)	202.43	147.80	173.02	99.94
Between 2 and 5 years	273.85	287.12	58.75	58.43
Between 6 and 10 years	345.32	288.19	30.40	23.68
Quantitative sensitivity analysis for significant assumption is as below:				
Increase/ (decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(1,408.53)	(129.10)	429.40	367.56
(ii) One percentage point decrease in discount rate	1,691.03	151.21	493.60	423.31
(i) One percentage point increase in rate of salary Increase	1,693.65	152.82	494.20	423.63
(ii) One percentage point decrease in rate of salary Increase	(1,404.21)	(132.58)	428.43	368.10
(i) One percentage point increase in employee turnover rate	1,552.31	23.61	462.45	398.10
(ii) One percentage point decrease in employee turnover rate	1,525.60	(26.47)	455.19	387.52

Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

The major categories of plan assets as a percentage of total (₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
Insurer managed funds	100%	100%	100%	100%

Notes to the Standalone Financial Statements

Actuarial assumptions

Particulars	Gratuity		Leave Encashment	
	2017-18 (funded)	2016-17 (funded)	2017-18 (funded)	2016-17 (funded)
Actuarial assumption				
Discount rate (p.a.)	7.70% p.a.	7.04% p.a.	7.70% p.a.	7.04% p.a.
Salary escalation (p.a.)	7.00%	7.00%	7.00%	7.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality post retirement rate	NA	NA	NA	NA
Employee turnover rate (p.a.)	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Future benefit cost inflation	NA	NA	NA	NA

Expected contribution to the defined benefit plan for the next annual reporting period

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

44. DETAILS OF CAPITAL EXPENDITURE INCURRED DURING THE YEAR FOR RESEARCH AND DEVELOPMENT IS GIVEN BELOW

(₹ in lakhs)

Particulars	2017-18	2016-17
Plant and Machinery	47.23	–
TOTAL	**47.23**	**-**

45. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Carrying amount	Fair value		
	As at 31-03-2017	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade Receivables	36,655.04	-	-	-
Loans and Other Receivables (Non-Current)	190.87	-	-	190.87
Loans and Other Receivables (current)	476.04	-	-	476.04
Cash and Bank Balances	755.73	-	-	-
Bank Deposit	281.03	-	-	-
TOTAL	**38,358.71**	**-**	**-**	**666.91**
Financial Assets at fair value through Profit or Loss:				
Derivative Instruments	5,726.52	-	5,726.52	-
Investments	0.20	0.20		
TOTAL	**5,726.72**	**0.20**	**5,726.52**	**-**
Financial liabilities at amortised cost:				
Non Current Borrowings	2,138.64	-	-	-
Current Borrowings	23,822.83	-	-	-
Trade and Other Payables	12,737.84	-	-	-
Other Financial Liabilities (current)	7,734.98	-	-	1,105.09
TOTAL	**46,434.29**	**-**	**-**	**1,105.09**

(₹ in lakhs)

Particulars	Carrying amount	Fair value		
	As at 31-03-2018	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade Receivables	32,498.29	-	-	-
Loans and Other Receivables (Non-Current)	115.49	-	-	115.49
Loans and Other Receivables (Current)	304.27	-	-	304.27
Cash and Bank Balances	1,114.04	-	-	-
Bank Deposit	248.55	-	-	-
TOTAL	**34,280.64**	**-**	**-**	**419.76**
Financial assets at fair value through Profit or Loss:				
Derivative Instruments	5,660.98	-	5,660.98	-
Investments	10.17	10.17	-	-
TOTAL	**5,671.15**	**10.17**	**5,660.98**	**-**
Financial liabilities at amortised cost:				
Non Current Borrowings	4,884.05	-	-	-
Current Borrowings	30,889.69	-	-	-
Trade and Other Payables	18,131.07	-	-	-
Other Financial Liabilities (Current)	2,293.32	-	-	995.94
TOTAL	**56,198.13**	**-**	**-**	**995.94**

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

Notes to the Standalone Financial Statements

Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments

Particulars	As at 31-03-2018	As at 31-03-2017
Non-current security deposits	Discounted Cash Flow method using current interest rate	
Derivative instruments	Based on quotes from Banks and Financial Institutions	
Other financial liabilities (non-current)	Discounted Cash Flow method using risk adjusted discount rate	

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Notes to the Standalone Financial Statements

Foreign Currency in lakhs

Particulars	USD	EUR	GBP	CHF	Total
Foreign currency exposure as at 31st March, 2017					
Trade Receivables	533.19	-	2.23	-	535.42
Non-Current Borrowings	-	-	-	34.44	34.44
Bank Balances	8.91	-	-	-	8.91
Trade Payables	9.88	-	-	-	9.88
Foreign currency exposure as at 31st March, 2018					
Trade Receivables	473.35	-	2.32	-	475.67
Non-Current Borrowings	-	-	-	24.83	24.83
Bank Balances	7.43	-	-	-	7.43
Trade Payables	9.44	-	-	-	9.44

Forward Contracts

Foreign currency exposures taken by the Company against export trade receivables are as under :-

Particulars	Number of Contracts	Foreign Currency in lakhs (USD)	₹ in lakhs	Buy / Sell
As at 31.03.2018	647	2,856.28	1,93,669.92	Sell
As at 31.03.2017	494	1,279.95	90,324.76	Sell

Foreign Currency Sensitivity

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax:

(₹ in lakhs)

Particulars	2017-18		2016-17	
	5% Increase	5% decrease	5% Increase	5% decrease
USD	1,597.51	(1,597.51)	1,789.77	(1,789.77)
EURO	0.42	(0.42)	18.75	(18.75)
GBP	13.12	(13.12)	11.71	(11.71)
CHF	85.06	(85.06)	111.63	(111.63)
Increase/(decrease) in Profit or Loss	**1,696.11**	**(1,696.11)**	**1,931.86**	**(1,931.86)**

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring

Notes to the Standalone Financial Statements

on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, they are recognised in profit or loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend., industrial practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on historical data, loss on collection of receivable is not material hence, no additional provision considered.

Exposure to credit risk

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in Debentures or Bonds	10.17	0.20
Long-Term Loans and Advances	115.50	190.88
Cash and Bank Balances	1,114.04	755.73
Bank Deposit	248.55	281.03
Short-Term Loans and Advances	304.27	476.04

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Trade Receivables	32,498.29	36,655.04

Notes to the Standalone Financial Statements

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due:

Particulars	₹ in lakhs
As at 31.03.2018	
Not Due	30,573.02
Up to 3 months	1,568.38
3 to 6 months	-
More than 6 months	356.89
	32,498.29
As at 31.03.2017	
Not Due	31,684.97
Up to 3 months	4,672.47
3 to 6 months	94.64
More than 6 months	202.96
	36,655.04

During the year the Company has recognised loss allowance of ₹ Nil Under 12 months expected credit loss model.

No significant changes in estimation techniques or assumptions were made during the reporting period.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31.03.2018 (₹ in lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
Non Current Borrowings	-	4,884.05	4,884.05
Current Borrowings	30,889.69	-	30,889.69
Trade Payables	18,131.07	-	18,131.07
Other Financial Liabilities	2,293.32	-	2,293.32

Notes to the Standalone Financial Statements

As at 31.03.2017

(₹ in lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
Non Current Borrowings	-	2,138.64	2,138.64
Current Borrowings	23,822.83	-	23,822.83
Trade Payables	12,737.84	-	12,737.84
Other Financial Liabilities	7,734.98	-	7,734.98

Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Exposure to Credit Risk		
Total Debt	37,061.83	26,695.33
Equity	93,887.32	82,654.65
Capital and Net Debt	**1,30,949.15**	**1,09,349.98**
Gearing Ratio	**28.30%**	**24.41%**

47. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013.

There are no loans given, covered under section 186(4) of the Companies Act, 2013, and investments made are given under the respective heads.

Corporate guarantee given by the Company in respect of loans as at 31st March, 2018

(₹ in lakhs)

Name of the Company	As at 31.03.2018	As at 31.03.2017
Indo Count Global INC., USA	6,192.10	6,160.75
	6,192.10	**6,160.75**

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915
Mumbai, May 4th, 2018

For and on behalf of Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Mohit Jain
Managing Director
DIN: 01473966

Dilip Ghorawat
Chief Financial Officer

Amruta Avasare
Company Secretary