NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Company Overview

APM INDUSTRIES LIMITED (the Company) having its registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar-301019, Rajasthan India, is a Public Limited Company domiciled in India and is incorporated in India under the provisions of Companies Act, 1956. The company is engaged in the manufacturing and selling of Man Made Fibre's Spun Yarn and Sewing Thread Business. The corporate office of the Company is located at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019, India.

2. **Recent accounting pronouncement**

Standards issued but not yet effective

Ind AS 116 Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees.

The Company will recognize a lease liability measured at the present value of the minimum lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019.

The Company will adopt Ind AS 116 effectively for the annual reporting period beginning April 1, 2019.and the Company is currently evaluating the effect of this amendment on the financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to assess whether it is probable that the relevant tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019 and the Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3. Significant Accounting policies

3.1 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended,the relevant provisions of Companies Act, 2013 and guidelines issued by the Security and Exchange Board of India (SEBI), as applicable.

3.2 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, and presentation requirements of Division II to Schedule III to the Act under the historical cost convention on the accrual basis except for the following:

a. Certain financial assets and liabilities that are measured at fair value

b. Assets held for sale – measured at the lower of carrying amount and fair value less costs to sell

c. Defined benefit plans – plan assets measured at fair value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon the management's best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Discount rate used to determine the carrying amount of the Company's defined benefit obligation: The cost of the defined benefit gratuity plan and the present value of the gratuity 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.

Contingences and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the company do not expect them to have a materially adverse impact on the financial position or profitability.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Useful lives of property, plant and equipment: As described in Note 3.8, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Allowances for doubtful debts: The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates.

Inventory Write down: The company evaluate nature of inventory, aging, liquidationand plan of disposal to ascertain write down value of inventory.

Rebates, Incentives and Discount to Customers: The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

3.4 Operating Cycle and Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realized or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realized within twelve months after the reporting period, or (d) The asset is 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 (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

3.5 Revenue recognition

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

The Company has adopted Ind AS 115 using the cumulative catch-up method whereby the effect of applying this standard is recognised at the date of initial application (i.e. 1 April, 2018). Accordingly, the comparative information in the Statement of Profit and Loss is not restated. Impact on adoption of Ind AS 115 is not material.

Cost to obtain a contract

The Company pays sales commission to its selling agents for contracts that they obtain for the Company.The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in selling and distribution expense under other expenses).

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Interest income Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends Dividend income from investments is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Profit/Loss on sale of units of Mutual funds/Bonds/Shares are accounted on transfer of ownership.

3.6 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitor and review the operating results of the whole company as two segments of man made fibre spun yarn and finance and investment business. Thus, as defined in Ind AS 108 'Operating Segment' the company's entire business falls under the two operating segments and hence the necessary information's has been disclosed in the financial statements. However, the company has demergered its finance and investment undertaking with effect from April 1, 2018 as per scheme of arrangement as explained in Note 39.

3.7 Foreign Currencies

Functional and presentation Currencies: The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit/(loss) in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

3.8 Property, plant and equipment

Property, plant and equipment (PPE) are initially recognized at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method ("SLM") in the manner prescribed in schedule II to the Act. Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets as considered by the company reflect the periods over which these assets are expected to be used. Such classes of assets and their estimated useful lives are as under;

S. No	Nature of Asset/Component of an Assets	Useful life of assets/components of assets
1	Building	30-60 years
2	Plant and Equipment	25 years
3	Electrical Equipment	10 years
4	Power Generation Unit	40 years
5	Furniture and Fixtures	10 years
6	Office Equipment	5 years
7	Vehicles	8-10 years
8	Computer Software	6 years

Cost of leasehold Land is being amortized over the period of lease of 99 years.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in statement of profit or loss. Fully depreciated assets still in use are retained in financial statements.

3.9 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

3.10 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

The Company amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

3.11 Impairment of Assets

Financial assets: The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

PPE and intangibles assets: Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

3.12 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax: Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of 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 income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax (MAT) credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.13 Leases

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating Lease: Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding in inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognized in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

Finance Lease: Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in statement of profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

3.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.15 Provisions and Contingent Liabilities:

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 resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

A contingent asset is disclosed, where an inflow of economic benefit is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

3.16 Inventories

Inventories of raw materials and stores and parts are valuated at lower of cost on Weighted Average Cost and net realizable value. Cost of raw materials and stores and spares is determined on weighted average cost method. Cost comprises all cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

Work in progress and finished goods are valuated at lower of cost on Weighted Average Cost and net realizable value. Cost includes direct material, labour, cost of conversion and other overheads incurred in bringing the inventory to their present location and condition.

Saleable scrap, whose cost is not identifiable, is valuated at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion/costs necessary to make the sale.

Due allowance is estimated and made for defective and obsolete items, wherever necessary.

3.17 Non-derivative financial instruments

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

a. Investments and Other Financial assets

Cash and cash equivalents: The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

Trade Receivables and Loans: Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments: Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Investment in subsidiary: Investment in subsidiary is recognized at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-Current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Equity Instruments: All investments in equity instruments other than in subsidiary classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

b. Investments and Other Financial assets – Subsequent measurement

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

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

c. Financial liabilities

All financial liabilities are initially recognised at fair value. The financial liabilities include trade and other payables, other financial liabilities, loans and borrowings.

d. Financial liabilities - Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.

e. Derecognition of financial instrument

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liabilities) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

f. Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in financial statements 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.

g. Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3.18 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of such reporting period.

3.19 Exceptional items

Items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company are disclosed as Exceptional items in the Statement of Profit and Loss.

3.20 Borrowing costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

3.21 Employee Benefits

Employee benefits consist of short term obligations, contribution to employee's state insurance, provident fund, gratuity fund and compensated absences.

A. Short Term Obligations

Liabilities for wages and salaries including non-monetary benefits that that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

B. Compensated Absences

The employees are entitled to accumulate leave upto 30 days for future encashment and availment, as per the policy of the Company. The liability towards such unutilized leave as at the year end is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

The classification of the Company net obligation into current and non- current is as per the actuarial valuation report.

The Company fully contributes all ascertained liabilities demanded by Life Insurance Corporation of India for Employee Company Leave Encashment cum Life Assurance (Cash Accumulation) administered by it.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability.

C. Defined Contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

D. Defined benefit plans:

The Company operates defined benefit plan in the form of gratuity. The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

The Company fully contributes all ascertained liabilities to the APM Industries Limited (Unit Orient Syntex) Employee Gratuity Fund Trust ('the Trust'). Trustees took the policy from Life Insurance Corporation of India to administer contributions made to the Trust.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

3.22 Borrowings

Borrowings are initially recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the prospects (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowing using the effective interest method.

3.23 Manufacturing and operating expenses

The Company classifies separately manufacturing and operating expenses which are directly linked to manufacturing and service activities of the company.

3.24 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year –Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential Ordinary shares.

4. PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

PARTICULARS	Property, Plant and Equipment									Other Intangible Assets
	Land (Lease Hold)	Building	Plant and Equipments	Power Generation Unit	Furniture and Fixtures	Office Equipments	Vehicles	Total	Capital Work in progress	Computer Software
Gross carrying value										
As at April 1, 2017	6,400	969	5,352	436	82	33	165	13,437		13
Additions	-	208	1,872	78	6	1	15	2,180		-
Deletions	-	-	163	37	-	-	6	206		-
As at April 1, 2018	**6,400**	**1,177**	**7,061**	**477**	**88**	**34**	**174**	**15,411**		**13**
Additions	-	51	792	-	12	7	10	872		-
Deletions	-	-	36	-	-	-	4	40		-
As at March 31, 2019	**6,400**	**1,228**	**7,817**	**477**	**100**	**41**	**180**	**16,243**		**13**
Accumulated Depreciation										
As at April 1, 2017	**100**	**37**	**216**	**14**	**10**	**9**	**29**	**415**		**4**
Depreciation during the year	100	41	281	13	11	10	28	484		1
Accumulated depreciation on deletions	-	-	12	3	-	-	1	16		-
As at April 1, 2018	**200**	**78**	**485**	**24**	**21**	**19**	**56**	**883**		**5**
Depreciation during the year	100	45	335	16	11	5	26	538		4
Accumulated depreciation on deletions	-	-	4	-	-	-	3	7		
As at March 31, 2019	**300**	**123**	**816**	**40**	**32**	**24**	**79**	**1414**		**9**
Net Carrying value										
As at March 31, 2019	**6,100**	**1,105**	**7,001**	**437**	**68**	**17**	**101**	**14,829**	**620**	**4**
As at March 31, 2018	**6,200**	**1,099**	**6,576**	**453**	**67**	**15**	**118**	**14,528**	**144**	**8**

Note:

1) Leasehold land is taken by the company on Long term agreements with the government/ government agency for establishment of its plant.

2) Capital work in progress includes borrowing cost Rs 6 Lakhs (2018: Nil)

3) Capitalization during the period includes borrowing cost of Rs 7 Lakhs (2018: Rs. 8 Lakhs)

Note			(Rs. in Lakhs)
5	**INVESTMENTS (NON-CURRENT)**	**As At March 31, 2019**	As At March 31, 2018
	In Government securities (Value at cost)		
	a) In Post Office Saving Bank* (pledged with Excise Department)	**0**	0
	Total	**0**	0
	* Amount less than 1 Lakh		

S. No.	Particulars	Face Value Per Unit (Rs.)	As At March 31, 2019 Nos.	As At March 31, 2019 (Rs.)	As At March 31, 2018 Nos.	As At March 31, 2018 (Rs.)
I	**Investment in Subsidary**					
	Unquoted					
	Equity Instrument at Cost					
	APM Finvest Limited **(Refer Note 39)**	2	-	-	1,00,000	200
						200
II	**Investment in other than Subsidiary**					
	a. Un-quoted Equity Instruments (Refer note 5.1)					
	Fully Paid Class A Equity Shares, held in V.S.Lignite Power Private Limited	10	1,256,039	126	1,256,039	126
	b. Un-quoted Preference Shares (Refer note 5.2)					
	0.01% Class A Redeemable Preference Shares held in V.S.Lignite Power Private Limited	10	1,114,222	126	1,114,222	111
				237		237
	Less:-Provision for dimunition in value of Investmennt			237		237
	Total Un-quoted			**-**		-

5.1 Dividend on Class A equity share is restricted to 0.01% of the face value of the shares.

5.2 Preference Share - Preference shares are redeemable at par over the period of 10-20 year from date of allotment.

S. No.	Particulars	Face Value Per Unit (Rs.)	As At March 31, 2019 Nos.	As At March 31, 2019 (Rs.)	As At March 31, 2018 Nos.	As At March 31, 2018 (Rs.)
III	**Other Investments**					
	(Refer Note 39)					
	Investment in Equity Instruments					
	HDFC Bank Limited `	2	-	-	2,250	42
	State Bank of India	1	-	-	35,000	87
	Indian Oil Corporation Limited	10	-	-	20,000	35
						164
IV	**Investment in Bonds**					
	NAHI BONDS 2015	1000	-	-	5,714	57
	IREDA PUBLIC ISSUE II	1000	-	-	13,624	136
						193
V	**Investment in Mutual Funds**					
	Axis Focus 25 Fund-Growth	10	-	-	198,452	50
	Axis Regular Savind Fund	10	-	-	1,789,207	303
	Aditya Birla Sun Life Short Term Opportunities Fund	10	-	-	897,035	259
	Aditya Birla Sunlife Mip-Ii-Wealth 25-Growth	10	-	-	1,059,565	405
	Aditya Birla Sunlife Dynanic Bond Fund	10	-	-	584,938	175
	Abakkus Growth Fund	10	-	-	-	0
	Birla Sunlife Medium Term Plan	10	-	-	737,406	162
	Aditya Birla Sunlife Balance Fund	10	-	-	13,537	100
	Aditya Birla Sunlife Equity Fund	10	-	-	9,402	65
	Aditya Birla Sunlife Value Fund	10	-	-	115,843	70
	DSP Black Rock Emerging Star Fund	100	-	-	74,378	126
	DSP Black Rock Cor Fund	100	-	-	94,792	142
	DSP Black Rock Balance Fund	10	-	-	69,541	99
	Edelweiss Multi Strategy Fund	10	-	-	1,000,000	107
	Edelweiss Infra Yield Plus Fund	10	-	-	100,000	10
	Enam Securities Pvt.Ltd.	10	-	-	2,500,000	253

S. No.	Particulars	Face Value Per Unit (Rs.)	As At March 31, 2019 Nos.	(Rs.)	As At March 31, 2018 Nos.	(Rs.)
	Franklin India High Growth Companies Fund	10	-	-	183,171	69
	HDFC Corporate Debt Opportunities Fund	10	-	-	2,737,791	395
	Fronkline India Smaller Companies Fund	10	-	-	84,647	50
	HDFC Mip Long Term	10	-	-	14,307	62
	HDFC Prudence Fund	10	-	-	26,019	126
	HDFC Balanced Fund	10	-	-	89,802	131
	HDFC Fmp Series-37	10	-	-	2,000,000	228
	HDFC Equity Saving Fund	10	-	-	289,260	100
	HDFC Capital Fund -Regular Plan	10	-	-	25,844	74
	HDFC Small Cap Fund	10	-	-	165,439	73
	ICICI Prudential Balanced Fund	10	-	-	101,563	127
	ICICI Prudential Short Term Plan	10	-	-	1,656	1
	ICICI Prudential Fmp Series 79-1104	10	-	-	1,000,000	114
	IDFC Core Equity Fund	10	-	-	113,184	50
	IIFL Special Opportunities Fund	10	-	-	712,177	82
	Invesco India Contra Fund	10	-	-	-	0
	Kotak Income Oppotunities Fund	10	-	-	1,160,369	222
	Kotak Equity Savind Fund	10	-	-	758,725	100
	Kotak Standard Multicap Fund Growht Regular Plan	10	-	-	286,502	91
	L & T Resurgent Corporate Bond Fund	10	-	-	1,612,213	210
	L & T India Emerging Business Fund	10	-	-	178,246	48
	L & T India Prudence Fund	10	-	-	285,322	73
	L & T India Midcap Fund	10	-	-	16,471	23
	L & T Infrastructure Fund	10	-	-	284,899	49
	Moti Lal Oswal Focused Growth Fund	10	-	-	869,616	126
	Moti Lal Oswal Multicap Fund-Growht -Regula Plan	10	-	-	192,808	51
	Old Bridge Capital Management P.Ltd.	10	-	-	1,000,000	141
	Reliance Fixed Horizon Fund-Series-Xxx	10	-	-	1,000,000	124
	Reliance Fixed Horizon Fund-Xxxi	10	-	-	1,000,000	118
	Reliance Monthly Income Plan	10	-	-	147,894	62
	Reliance Regular Saving Fund Balance	10	-	-	234,341	133
	Reliance Yield Maximiser	10	-	-	2,000,000	216
	Reliance Corporate Bond Fund	10	-	-	761,441	110
	Reliance Equity Saving Fund	10	-	-	781,763	100
	Reliance Equity Opportunities Aif Scheme 1	10	-	-	450,000	45
	SBI Blue Chip Fund -Growth	10	-	-	180,663	67
	UTI Dynamic Bond Fund	10	-	-	303,335	61
	Total					6,178
	Grand Total					6,735

Note

Aggregate amount of unquoted Investments in Subsidiary at cost before impairment	-	200
Aggregate amount of unquoted Investments at cost before impairment	-	237
Aggregate amount of quoted Investments and Market value thereof	-	357
Aggregate amount of unquoted Investments in mutual funds.	-	6178
Aggregate amount of impairment in the value of unquoted investment other than subsidary	-	237

Note	Particulars						(Rs. in Lakhs)
6	**Other Financial Assets**			**As At March 31, 2019**			As At March 31, 2018
	Non Current Financial Assets						
	Bank Deposits with maturity more than 12 months			**-**			1
	Security Deposits			**311**			145
				311			146
7	**Non Current Tax Assets (Net)**			**As At March 31, 2019**			As At March 31, 2018
	Income Tax Refund Receivable			**23**			29
				23			29
8	**Other Non Current Assets (unsecured, considered good, unless otherwise stated)**			**As At March 31, 2019**			As At March 31, 2018
	Capital Advances **(Refer Note 38)**			**134**			68
	Prepaid Expenses			**15**			-
	Deferred Interest Payment			**7**			-
				156			68
9	**Inventories** **Current Assets** (As taken,valued and certified by the Management)			**As At March 31, 2019**			As At March 31, 2018
	Raw Materials			**1,175**			896
	Work-In-Progress			**569**			509
	Finished Goods			**2,903**			2,607
	Stores and Spares			**85**			75
				4,732			4,087
	Devaluation during the year						
	Raw Material			**1**			5
	Finished Goods			**3**			17
	Stores and Spares *			**1**			-
	* Less than 1 lakh in 2017-18						
10	**Investment** **Current Investments** **(Refer Note-39)**	**Face Value**	**No. of Units**	**As At March 31, 2019**	Face Value	No. of Units	As At March 31, 2018
	DSP Black Rock Emerging Star Fund	10		-		1,000,000	122
	Reliance Fixed Horizon Fund-Series-XXVI-serious-14- Direct Growth	10		-		1,000,000	144
	Reliance Fixed Horizon Fund-XXIX-series 3 Direct Growth	10		-		1,000,000	127
				-			393
	Aggregate Amount of unquoted Investments before impairment						393
	Aggregate Amount of impairment in the value of Investment						-

Note	Particulars		(Rs. in Lakhs)
11	**TRADE RECEIVABLES**	**As At**	As At
	Current Financial Assets	**March 31, 2019**	March 31, 2018
	Trade Receivables - Secured	**-**	-
	Trade Receivables - Unsecured	**2,973**	2,685
	Trade Receivables which have significant increase in credit risk	**-**	-
	Trade Receivables - Credit Impaired	**-**	-
	Less: Allowance for doubtful trade receivables	**(54)**	(33)
		2,919	2,652
	The movement in allowance for doubtful trade receivables:		
	Balance as at beginning of the year	**33**	10
	Allowance for bad and doubtful trade receivable during the year*	**23**	23
	Trade receivables written off during the year	**(2)**	-
	Balance as at end of the year	**54**	33
	*net of recovery of bad and doubtful debts		
12	**Cash and Cash Equivalents**	**As At**	As At
	Current Financial Assets	**March 31, 2019**	March 31, 2018
	(Refer Note-39)		
	Balances with banks:		
	In Current Accounts	**8**	35
	Cash on hand	**2**	3
		10	38
13	**Bank Balance other than Cash and Cash Equivalents**	**As At**	As At
	Current Financial Assets	**March 31, 2019**	March 31, 2018
	Earmarked Balances with banks		
	Unpaid Dividend	**126**	123
	Term deposits with maturity period of more than 3 months but less than 12 months*	**-**	28
		126	151
	* Pledged as securities or earmarked for issue of Bank Guarantees		
14	**LOANS**	**As At**	As At
	Current Financial Assets	**March 31, 2019**	March 31, 2018
	(Refer Note-39)		
	Loans to body Corporate		
	Loans considered good - Secured	**-**	-
	Loans considered good - Unsecured	**-**	350
	Loans which have significant increase in credit risk	**-**	-
	Loans - credit impaired	**-**	-
		-	350
	Less: Allowance for Doubtful Loans	**-**	-
		-	350

The Company has given advances to 2 parties ranging from 50 lakhs to 300 lakhs for 90 to 180 days at interest rate of 13.5% to 16.00% p.a.

The movement in allowance for doubtful loans:		
Balance as at beginning of the year	**-**	-
Allowance for doubtful loans during the year	**-**	-
Loans written off during the year	**-**	-
Balance as at end of the year	**-**	-

Note	Particulars		(Rs. in Lakhs)
15	**Other Financial Assets**	**As At**	As At
	Current Financial Assets	**March 31, 2019**	March 31, 2018
	(Refer Note-39)		
	Un-secured, Considered Good unless otherwise stated		
	Interest Receivable	**9**	19
	Other Recoverable	**10**	27
		19	46
16	**Other Current Assets**	**As At**	As At
	Unsecured considered good unless otherwise stated	**March 31, 2019**	March 31, 2018
	(a) Advance to Suppliers	**42**	31
	(b) Other Advances	**18**	25
	(c) Balances with statutory/ Government Authorities	**520**	307
	(d) Prepaid Expenses	**32**	29
	(e) Deferred Interest Payment	**3**	-
		615	392
17	**EQUITY SHARE CAPITAL**	**As At**	As At
		March 31, 2019	March 31, 2018
	Authorised		
	22,500,000 (Previous Year 35,000,000) Equity Shares of Rs. 2/- each (Refer Note No. 39)	**450**	700
	300,000 (Previous year 300,000) Redeemable Preference Preference Shares of Rs. 100/- each	**300**	300
	Issued		
	Equity		
	22,217,080 (22,217,080) Equity Shares of Rs. 2/- each	**444**	444
	Subscribed and Fully Paid Up		
	21,611,360 (21,611,360) Equity Shares of Rs. 2/- each	**432**	432
	Total	**432**	432

a) Reconciliation of equity shares outstanding at the beginning and end of the reporting period.

Equity Shares	**As At March 31, 2019**		As At March 31, 2018	
	Nos.	**Rs.**	Nos.	Rs.
Balance at the beginning of the year	**21,611,360**	**432**	21,611,360	432
Issued during the year	**-**	**-**	-	-
Balance at the end of the year	**21,611,360**	**432**	21,611,360	432

b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 2/- per share. Each shareholder is entitled to one vote per share. All equity Share holders are having right to get dividend in proportion to paid up value at each equity shares as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	**As at March 31, 2019**		As at March 31, 2018	
	% of holding	Nos.	% of holding	Nos.
Rajendra Kumar Rajgarhia	**17.81**	**3,850,000**	17.81	3,850,000
Faridabad Paper Mills Limited	**12.82**	**2,770,000**	12.82	2,770,000
Ajay Rajgarhia	**10.53**	**2,275,000**	10.41	2,250,000
Prabha Rajgarhia	**7.40**	**1,600,000**	7.40	1,600,000
Rajgarhia Leasing and Financial Services Pvt.Ltd.	**5.23**	**1,130,000**	5.23	1,130,000

Note	Particulars		(Rs. in Lakhs)
18	**Other Equity**	**As At March 31, 2019**	As At March 31, 2018
	Securities Premium	**243**	243
	Capital Reserve*#	0	0
	General Reserve	**5,000**	6,987
	Retained Earnings#	**6,575**	11,397
	Other Comprehensive Income		
	Remeasurement of defined benefit plans	**(38)**	(59)
		11,780	18,568

* Rs. 0.31 lakhs adjusted as per scheme of arrangement

Refer Note no. 39

(Refer Statement of Changes in Equity)

Nature and purpose of reserves

(a) Capital reserve: The capital reserve represents profit on re-issue of forfeiture of equity shares by the Company. This reserve is not freely available for distribution to the shareholders.

(b) Securities premium : The amount of difference between the issue price and the face value of the shares is recognized in Securities premium.

(c) General reserve: General reserve is the accumulation of the portions of the net profits transferred by the Company in the past years pursuant to the earlier provisions of the Companies Act, 1956/2013.

(d) Retained earnings: Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.

Note	Particulars	As At	As At
19	**BORROWINGS** **Non current financial liabilities**	**As At March 31, 2019**	As At March 31, 2018
	Secured Term Loan		
	From Banks	**1,725**	1,670
	Unsecured		
	Finance Lease Obligations	**2**	1
		1,727	1,671

19.1 Nature of Security & Terms of Repayment

19.1.1 Following Term Loans are secured by joint mortgage by deposit of title deeds of the Company's immovable properties situated at Bhiwadi and charge on all immovable and movable assets, both present and future subject to prior charge created on specified movable assets in favour of Company's bankers ranking pari-passu for working capital facilities:

	Loan From	Terms of Repayment
a	**Industrial Development Bank of India (Rs. 560 Lakhs)** Term Loans from Banks amounting to Rs. 35 lakhs (March 31, 2018 Rs.106 lakhs)	Repayable in 32 quarterly instalments from October 2011 along with interest at the rate of 11.90% p.a.
b	**Punjab National Bank (Rs. 163 Lakhs)** Term Loans from Banks amounting to Rs Nil (March 31, 2018 Rs. 6 lakhs)	Repayable in 20 equally quarterly instalments from June 2014 along with interest at the rate of 12.15% p.a.
c	**HDFC Bank (Rs. 750 Lakhs)** Term Loans from Banks amounting to Rs. 469 lakhs (March 31, 2018 Rs. 656 lakhs)	Repayable in 16 equally quarterly instalments from Sept. 2017 alongwith interest at the rate of 10.05% p.a.
d	**HDFC Bank (Rs. 1000 Lakhs)** Term Loans from Banks amounting to Rs. 884 lakhs (March 31, 2018 Rs. 953 lakhs)	Repayable in 60 equally monthly instalments from August 2018 alongwith interest at the rate of 9.90% p.a.
e	**State Bank of India (Rs. 415 Lakhs)** Term Loans form Banks amounting to Rs. 341 lakhs (March 31, 2018 Rs. NIL)	Repayable in 11 quarterly instalments from October 2018 alongwith interest at the rate of 9.05% p.a.
f	**State Bank of India (Rs. 690 Lakhs)** Term Loans form Banks amounting to Rs. 597 lakhs (March 31, 2018 Rs. NIL)	Repayable in 6 quarterly instalments of Rs. 15 lakhs 17 quarterly instalment of Rs. 33 lakhs & last instalment of Rs. 39 lakhs from Occtober 2019 alongwith interest at the rate of 9.05% p.a.

19.1.2 Secured Long Term Loans aggregating to Rs. 2,326 lakhs (March 31, 2018 Rs. 2,212 lakhs) are guaranteed by the Chairman.

19.1.3 Term Loan is secured by first charge on the assets purchased/proposed to be purchased with bank fianance and promoter contribution. Further loan is secured by second pari-passu charge on entire current assets of the company including stock and receivables and other current current assets.

Loan From	Terms of Repayment
Punjab National Bank (Rs.750 Lakhs) Term Loans from Banks amounting to Rs. NIL (March 31, 2018 Rs. 491 lakhs)	Repayable in 16 equally quarterly instalments from June 2017 and interest at the rate of 12.15% p.a. and payable as and when charged in the account.

19.2 The Long Term borrowing shown above is net of Rs. 601 lakhs (Mar 31, 2018 Rs. 542 lakhs) current maturities, which is shown under Note No. 24

Note	Particulars		(Rs. in Lakhs)
20	**Other Financial Liabilities**	**As At**	As At
	Non-current Financial Liabilities	**March 31, 2019**	March 31, 2018
	Capital Creditors	**180**	-
		180	-
21	**Deferred Tax Liabilities (net)**	**As At**	As At
	(Refer Note-39 & 45(d))	**March 31, 2019**	March 31, 2018
	Deferred Tax Liabilities		
	Depreciation	**3,668**	3,720
	Fair Valuation of Investment	**-**	208
	Deferred Tax Liabilities (a)	**3,668**	3,928
	Deferred Tax Assets		
	Employee benefits	**31**	69
	Provision for Diminishing in Value of Investment	**53**	-
	Doubtful Debts and Loans	**18**	12
	Deferred Tax Assets (b)	**102**	81
	Mat Credit Entitelment (c)	**187**	178
	Defferred Tax Liabilities (Net) = (a - b - c)	**3,379**	**3,669**
22	**Borrowings**	**As At**	As At
	Current financial liabilities	**March 31, 2019**	March 31, 2018
	Secured		
	Working Capital Loans From banks	**3,004**	2,489
	Unsecured Loan		
	Demand Loan From Related party	**367**	**-**
		3,371	2,489

22.1 Working Capital loan from bank,of Rs. 2,993 lakhs (March 31, 2018 : Rs.1,610 lakhs) repayable on demand is secured by hypothecation of raw materials, consumables stores and spare parts, stock in process, finished goods, book debts and by personal guarantees of the Chairman of the Company. Further it is also secured by way of pari passu second charge on all the immovable properties of the Company.The loan is carrying interest rate of 9.05% and 9.55% p.a.

22.2 Working Capital loan from bank of Rs. NIL (March 31, 2018 Rs. 879 lakhs) is secured by investment in Units of Mutual Funds and Tax Free Bonds.

22.3 Demand loan from related party is repayable on demand and carrying interest rate of 9.85% per annum.

Note	Particulars		
23	**TRADE PAYABLES**	**As At**	As At
	Current financial liabilities	**March 31, 2019**	March 31, 2018
	Total outstanding dues of micro enterprises and small enterprises (Refer Note-40)	**3**	7
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,757**	1,386
		1,760	1,393

Note	Particulars		(Rs. in Lakhs)
24	**Other Financial Liabilities**	**As At**	As At
	Current Financial liabilities	**March 31, 2019**	March 31, 2018
	Current Maturity of long Term Debts	**601**	542
	Interest accrued but not due on Borrowings	**11**	19
	Current Maturity of Finance lease obligation*	**0**	**0**
	Unclaimed Dividend	**126**	123
	Others	**-**	-
	Capital Creditors	**251**	98
	Salary, Wages and Benefits payable	**531**	501
	Other Payable*	**2**	2
	TOTAL	**1,522**	1,285

* Less than Rs. 1 Lakh

- *There are no amount due for payment to the Investor Education and Protection Fund under section 125 of Companies Act, 2013 as at 31 March, 2019*

25	**Other Current Liabilities**	**As At March 31, 2019**	As At March 31, 2018
	Statutory Dues Payable	**64**	46
	Advances from Customers	**18**	18
	Interest Payable on MSMED*	**0**	**0**
	Security Deposits	**6**	5
		88	69

* March 31, 2019: Rs. 242/- (March 31, 2018:Rs 1152/-) is payable as interest.

26	**Provisions**	**As At**	As At
	(Refer Note-42)	**March 31, 2019**	March 31, 2018
	Provision For Employee Benefits		
	Gratuity	**123**	153
	Compensated Absence	**2**	1
	TOTAL	**125**	154

27	**Current Tax Liabilities (Net)**	**As At March 31, 2019**	As At March 31, 2018
	Provision for Tax (Net)	**-**	37
		-	37

28	**Revenue from Operations**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
	(a) Sale of products	**26,733**	27,024
	(b) Finance Income (Refer Note-39)		
	(i) Interest Income	**-**	53
	(ii) Net gain on sale/ fair value of Investments through Profit and Loss	**-**	297
	(iii) Others	**-**	1
	(c) Other Operating Revenues	**217**	203
	TOTAL	**26,950**	27,578

28.1 Disaggregation of Revenue

28.1.1 Revenue based on Geography

Domestic	**26,950**
Export	-
Revenue from Operations	**26,950**

28.1.2 During the year, the Company is engaged in only one Business Segment i.e. Yarn Manufacturing, hence no business segment disclosure is required.

(Rs. in Lakhs)

	For the year ended March 31, 2019
28.1.3 Reconciliation of Revenue from operations with contract price	
Products	
Textile	
Contract price	**27.034**
Less:	
Sales returns	**(79)**
Cash Discounts and other Rebates	**(5)**
	26,950

28.1.4 The Company has adopted Ind AS 115 using the cumulative catch-up method whereby the effect of applying this standard is recognised at the date of initial application (i.e. 1 April, 2018). Accordingly, the comparative information in the Statement of Profit and Loss is not restated. Impact on adoption of Ind AS 115 is not material.

29 Other Income	**For the year ended March 31, 2019**	For the year ended March 31, 2018
(a) Interest Income from:		
Bank on Term Deposits	**2**	2
Loan and Mutual Funds	**-**	33
Tax Free Bonds	**-**	4
Customers and Others	**145**	233
(b) Dividend Income	**-**	1
(c) Liabilities no longer required written Back	**255**	364
(d) Fair valuation of Financial Assets	**2**	-
(e) Net gain on sale/ fair Valuation of Investments through Profit & Loss #	**-**	216
(f) Miscellaneous income	**11**	33
TOTAL	**415**	886

includes fair value gain/(loss) as at March 31, 2019 amounting to Rs. Nil (March 31, 2018 Rs. 369 Lakhs)

30 Cost of Materials Consumed (Refer Note: 47)	**For the year ended March 31, 2019**	For the year ended March 31, 2018
Opening stock	**896**	1,249
Add : Purchases	**16,081**	14,942
	16,977	16,191
Less : Closing Stock	**1,175**	896
TOTAL	**15,802**	15,295

31 Change in Inventories of Finished Goods and Work-In-Progress	**For the year ended March 31, 2019**	For the year ended March 31, 2018
A. Opening Inventories		
Finished products	**2,607**	2,779
Work-in-Progress	**509**	519
Total-A	**3,116**	3,298
B. Closing Inventories		
Finished products	**2,903**	2,607
Work-in-Progress	**569**	509
Total-B	**3,472**	3,116
Change In Inventories of Finished Goods and Work in Progress (A-B)	**(356)**	182

Note	Particulars		(Rs. in Lakhs)
32	**Employees Benefits Expense**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
	Salaries, Wages and other benefits	**3,640**	3,480
	Contribution to Provident and other funds **(Refer Note 42)**	**187**	204
	Employee Welfare Expenses	**199**	166
	TOTAL	**4,026**	3,850
33	**FINANCE COSTS**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
	Interest Expense	**412**	393
	Interest on Income Tax	**4**	0
	Other Borrowing costs	**20**	15
	TOTAL	**436**	408
34	**Depreciation and Amortization Expense**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
	Depreciation of Tangible assets	**538**	484
	Amortization of Intangible assets	**4**	1
	TOTAL	**542**	485
35	**Excise Duty**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
	Excise Duty	**-**	6
	TOTAL	**-**	6
36	**OTHER EXPENSES**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
	(a) Manufacturing Expenses		
	Consumption of Stores and Spare Parts	**400**	398
	Packing Material	**384**	355
	Power and Fuel	**4,067**	4,383
	Repairs to Plant and Machinery	**319**	357
	Repairs to Building	**14**	11
	Job Charges (Fabric)	**79**	70
		5,263	5,574
	(b) Selling and Distribution Expenses		
	Freight and Forwarding Expenses	**405**	390
	Brokerage and Commission	**66**	91
		471	481
	(c) Establishment Expenses		
	Legal and Professional Fees	**43**	51
	Rent Expenses	**31**	27
	Rates and Taxes	**15**	12
	Repairs to Others	**6**	6
	Insurance Expenses	**17**	18
	Travelling and Conveyance Expenses	**20**	20
	Payment to Auditors **(Refer Note 36.2)**	**7**	7
	Printing & Stationary	**23**	21
	Vehicle Running Expenses	**22**	21
	Computer Maintenance Expenses	6	4
	Charity and Donation	0	1
	Communication Expenses	**23**	22
	Electricity and Water Charges	**7**	6
	Membership Fee and Subscription	**3**	2
	General Expenses	**25**	37
	Allowance for trade receivables	**23**	23
	Loss on Replacement/ Sale of Property, Plant and Equipment	**9**	32
	Corporate Social Responsibility(CSR) Expenses **(Refer Note 36.1)**	**54**	51
	Pollution Control Expenses	**36**	20
		370	381
	TOTAL	**6,104**	6,436

Note	Particulars		(Rs. in Lakhs)
36.1	**Disclosure related to CSR Expenditure during the year**	**For the year ended March 31, 2019**	For the year ended March 31, 2018
A	Gross amount required to be spent by the company during the year		
	i) Required to be spent for the year	**44**	52
	ii) Unspent balance of carried over of earlier year	**10**	9
		54	61
B	Expenditure incurred during the year		
	i) Construction / acquisition of any assets	**16**	17
	ii) On purpose other than (i) above	**38**	34
	Total	**54**	51
	Unspent balance carry forward	**0**	10
36.2	**Payment to Auditors**		
	Audit fee	**4**	4
	Limited Review fee	**1**	1
	In other Capacity:		
	Tax Audit fee	**1**	1
	Other Services (Certification Fees)*	**0**	0
	Reimbursements of Expenses	**1**	1
		7	7

* Less than 1 lakh

37. Contingent Liabilities (to the extent not provided for) :

(Rs. in Lakhs)

S. No.	Particulars	As at March 31, 2019	As at March 31, 2018
I	**Claims against the Company not acknowledged as debt**		
	JVVNL Transformation Charges	**176**	Nil
II	**Other money for which the Company is contingently liable**		
	*Excise Duty and Service Tax	**148**	145
	*Income tax	**Nil**	6

* Excluding estimated interest / penalty as may be determined / levied on the conclusion of the matters.

38. Commitments

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Commitments		
Estimated value of contracts to be executed on capital account (net of advances)	**115**	431*

* Payment of capital commitment of Rs. 277 lakhs on account of purchase and installation of energy efficient integrated heat recovery and heating solution for the dying process has been secured through issue of bank guarantee of Rs. 277 lakhs.

39. Demerger

a) Pursuant to the order of National Company Law Tribunal (NCLT), Jaipur, Finance and Investment undertaking of APM Industries Limited has been demerged into APM Finvest Limited (Resulting Company) w.e.f April 1, 2018, being appointed date and pursuant to NCLT order, APM Finvest Limited ceased to be Subsidiary of APM Industries Limited from appointed date.

b) Pursuant to the Scheme of Arrangement (“the Scheme”) under Section 230 to 232 of the Companies Act, 2013 between APM Industries Limited (AIL) (“the demerged company”) and APM Finvest Limited (AFL) (“the resulting company”) as approved by the National Company Law Tribunal (NCLT), Jaipur on May24, 2019 and effective date is June 03, 2019

I. All the properties and liabilities, of whatsoever nature and kind and wheresoever situated, of the Finance and Investment undertaking of AIL as on the appointed date (April 01, 2018) have been transferred to AFL at their respective book values as appearing in the books of accounts of AIL.

II. Summary of Assets and Liabilities transferred from AIL to AFL as on April 1, 2018 as under:

Particulars	**Rs. in Lakhs**	**Rs. in Lakhs**
Assets		
Non-Current Investment	6,535	
Current Investment	393	
Loan	350	
Other Financial Assets	12	
Cash & Cash Equivalent	1	**7,291**
Liabilities		
Other Financial Liabilities*	-	
Deferred tax liabilities (net)	208	**208**
Net Assets Transferred		**7,083**

* Less than 1 lakh

III. The difference between the values of assets and liabilities transferred amounting to Rs.7,283 lakhs (including Rs. 200 lakhs investment in AFL) pursuant to scheme in appropriated and adjusted against Capital Reserve and remaining from General reserve and Retained Earnings as decided by the Board of Directors of AIL, pursuant to the scheme.

IV. As consideration for the transfer and vesting of the Finance and Investment undertaking, AFL has issued 1 equity share of face value of Rs. 2/- at par to the shareholders of the Demerged Company (AIL) for every 1 share of Rs. 2/- held by them on the record date June 18, 2019 in the demerged Company (AIL).

V. The assets of the Investment and Finance undertaking are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent that they relate to any loans or borrowings of the Remaining Business of AIL shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of AIL which are not transferred to AFL.

VI. Authorised Share Capital of the Company has reduced from Rs. 1000 lakhs to Rs. 750 lakhs divided into 22,500,000 equity shares of Rs. 2/- and 300,000 Preference Shares of Rs. 100 each.

40. The Company have outstanding dues under trade payable to Micro Small and Medium Enterprises Development Act, 2006. The disclosure on the above is based on the information available with the Company.

(Rs. in Lakhs)

		As at March 31, 2019	As at March 31, 2018
(a)	Dues remaining unpaid as at Balance Sheet date		
	- Principal amount	**3**	7
	- Interest amount	**-***	-*
(b)	Interest paid in terms of section 16 of the Act, along with the amount of payment made to the supplier and services providers beyond the appointed day during the period	**-**	-
(c)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during period) but without adding the interest specified under the Act	**-**	-
(d)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	**-**	-
(e)	Interest accrued and remaining unpaid as at Balance Sheet date	**-***	-*

* Rs. 242 (Rs. 1,152) is payable as Interest

41. Disclosure of Financial Leasehold Land as per Ind AS-17- Leases

(Rs. in Lakhs)

Particulars	Carrying Value	Less than 1 year	1-5 years	> 5 years	Total payments
As at March 31, 2019					
Leasehold Land (assets)	**6,100**				
Minimum lease payment	**30**	**0***	**0***	**30**	**30**
Present value of minimum lease payment	**2**	**0***	**0***	**1**	**2**
As at March 31, 2018					
Leasehold Land (assets)	6,200				
Minimum lease payment	30	0*	**0***	30	30
Present value of minimum lease payment	2	0*	0*	1	2

* Less than Rs.1 lakh

The Company has taken land on lease for its plant from government and government agencies for 99 years, with condition of increase of lease rental to the extent of 25% of existing lease rental after every five years.

42. Details of Employees Benefits as required by the Ind AS 12 "Employee Benefits" are given below: -

a) **Defined contribution plans:**

The company has recognized the following amounts in the Statement of Profit and Loss (included in Contribution to provident and other funds:

(Rs. in Lakhs)

Particulars	**For the year ended March 31, 2019**	For the year ended March 31, 2018
Contribution to provident fund	**132**	151
Employee State Insurance Corporation	**127**	124

b) **Post Retirement Benefit Plan - Gratuity**

1. **Amount recognized in the Balance Sheet**

(Rs. in Lakhs)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Gratuity:		
Present value of plan liabilities	**668**	668
Fair value of plan assets	**545**	515
Unfunded Liability/Provision in Balance Sheet	**(123)**	(153)

2. **Movements in plan assets and plan liabilities**

(Rs. in Lakhs)

Particulars	**Plan Assets**	**Plan Liabilities**	Plan Assets	Plan Liabilities
	Year ended March 31, 2019		Year ended March 31, 2018	
As at April 1	**515**	**668**	476	616
Current Service Cost		**51**		51
Fund Charges	**(3)**		(2)	
Actual return on plan assets	**39**		36	
Interest cost		**52**		46
Actuarial (gain)/loss on Obligation		**(35)**		-*
Employer contributions	**62**		50	-
Benefit payments	**(68)**	**(68)**	(45)	(45)
As at March 31	**545**	**668**	515	668

* Less than 1 lakh

3. Amount recognized in the Statement of Profit and Loss as Employee Benefit Expense

(Rs. in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity:		
Current service cost	**51**	51
Finance cost/(Income)	**12**	11
Net impact on the Profit/(Loss) before tax	**(63)**	(62)
Remeasurement of the net defined benefit liability		
Return on plan assets excluding actual return on plan assets	**(4)**	(2)
Actuarial gains/(loss) arising from changes in demographic	-	-
Actuarial gains/(loss) arising from changes in financial assumption	**6**	(1)
Experience gains/(loss) arising on experience adjustments	**29**	1
Benefit plan liabilities		
Net gain/(loss) recognized in the Other Comprehensive Income before tax	**31**	(2)

* Less than 1 lakh

Note: Surplus of assets over liabilities has not been recognized on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds

4. Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Gratuity:		
Unquoted		
Government Debt Instruments	-	-
Corporate Bonds	-	-
Insurer managed funds	**100%**	100%
Others		-
Total	**100%**	100%

5. Assumptions

Particulars	As at March 31, 2019	As at March 31, 2018
Financial Assumption		
Discount rate	7.66%	7.71%
Salary Escalation Rate #	5.00%	5.25%
Demographic Assumptions		
Published rates under the Indian Assured Lives Mortality (2006-08)	**100%**	100%

The estimate of rate of escalation is salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

6. Sensitivity

(Rs. in Lakhs unless otherwise stated)

Gratuity:	As at March 31, 2019			As at March 31, 2018		
	Change in assumption	**Increase in present value of plan liabilities**	**Decrease in present value of plan liabilities**	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities
Discount rate	**0.50%**	**15**	**14**	0.50%	15	17
Salary Escalation Rate	**0.50%**	**16**	**15**	0.50%	17	16

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

7. The defined benefit obligations shall mature after year end March 31, 2019 as follows:

(Rs. in Lakhs)

Year	**As at March 31, 2019**	As at March 31, 2018
2019	**-**	326
2020	**333**	56
2021	**38**	42
2022	**44**	22
2023	**24**	13
Thereafter	**229**	209

The above information is as certified by the actuary.

43. Financial risk management and policies

43.1 Capital Risk Management

(a) Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity as shown in the balance sheet plus all other reserves attributable to equity shareholders of the Company.

(Rs. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Borrowings	**5,697**	4,701
Less : Cash and cash equivalents	**10**	38
Net Debt	**5,687**	4,663
Equity	**12,212**	19,000
Gearing Ratio (times)	**0.47**	0.25

(b) Dividend

	As at March 31, 2019	As at March 31, 2018
Equity Shares		
Interim Dividend for the year ended March 31, 2019 of INR- NIL (March 31, 2018-INR Nil) per fully paid share	**-**	-
Final dividend for the year ended March 31, 2018 of INR-1.00 per fully paid share (March 31, 2017 INR 0.50 per fully paid share)	**216**	108
Dividends not recognized at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 0.50 per fully paid equity share (March 31, 2018– INR 1.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	**108**	216

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

43.2 Financial-Risk-Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a) Market Risk

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 recommend 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, borrowing strategies and ensuring compliance with market risk limits and policies.

a)(i) 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.

a)(i)(1) Exposure to interest rate risk related to borrowings with floating rate of Interest

(Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Total Borrowings	**5,697**	4,701

a)(i)(2) Interest rate sensitivity **(Rs. In Lakhs)**

Basis Points	2018-19	2017-18
50 basis point increase would decrease the profit before tax by	**(28)**	(24)
50 basis point decrease would Increase the profit before tax by	**28**	24

a)(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of store and spare and other materials. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies.

b) Credit Risk:

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy customers.

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 through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as actual or expected significant adverse changes in business, operating results, financial or economic conditions, credit risk on other financial instruments and third party collateral guarantees or credit.

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, these are recognized as income in the statement of profit and loss.

The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as financial condition, ageing of accounts receivable and the Company's historical experience for customers.

As at March 31, 2019, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

c) 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 reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team 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 liquidity position through rolling forecasts on the basis of expected cash flows.

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

(Rs. in lakhs)

Particulars	Less than 1 year/on demand	1-5 years	> 5 years	Total payments
March 31, 2019				
Long Term Borrowings (including Current maturities of long terms debts)	601	1,610	115	2,326
Finance Lease Obligations	-*	-*	2	2
Short Term Borrowings	3,371	-	-	3,371
Trade and other payables	1,760	-	-	1,760
Payable on Capital Creditors	431	-	-	431
Other financial liabilities (Current and Non-current)	670	-	-	670
March 31, 2018				
Long Term Borrowings (including Current maturities of long terms debts)	542	1,606	64	2,212
Finance Lease Obligations	-*	-*	1	1
Short Term Borrowings	2,489	-	-	2,489
Trade and other payables	1,393	-	-	1,393
Payable on Capital Creditors	98	-	-	98
Other financial liabilities (Current and Non-current)	645	-	-	645

* Amount less than 1 lakh

44. Financial Instrument by category and hierarchy

A. Financial instruments by category

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:

1. 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 others approximate their carrying amounts largely due to short term maturities of these instruments.

2. 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 expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

A. The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows:

Particulars	Amortized cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total Carrying Value	Total Fair Value
Assets:					
(a Investment in equity shares (Quoted)*	-	-	-	-	-
(b) Other Investment in equity shares of subsidiay (Unquoted)	**	-	-	-	-
(c) Other Investment in other than equity shares (Unquoted)*	-	-	-	-	-
(d) Investment in other than equity shares (Quoted)*	-	-	-	-	-
(e) Trade receivables	2,919	-	-	2,919	2,919
(f) Loans*	-	-	-	-	-
(g) Other financial assets	330	-	-	330	330
(h) Cash and cash equivalent	10	-	-	10	10
(i) Bank balances other than cash and Cash equivalent	126	-	-	126	126
Liabilities:					
(a) Borrowings	5,699	-	-	5,699	5,699
(b) Trade payables	1,760	-	-	1,760	1,760
(c) Other financial liabilities	1,101	-	-	1,101	1,101

* All investment and loan were transfer to APM Finvest Limited due to demerger w.e.f. April 01, 2018 as explained in Note No. 39.

** Cancelled due to demerger of demerger of finance and investment business w.e.f. April 01, 2018 as explained in Note No. 39.

The carrying value and fair value of financial instruments by categories as at March 31, 2018 were as follows:

Particulars	Amortized cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total Carrying Value	Total fair Value
Assets:					
(a) Investment in equity shares (Quoted)	-	164	-	164	164
(b) Other Investment in equity shares of subsidiary (Unquoted)	200		-	200	200
(c) Other Investment in other than equity shares (Unquoted)	-	6,571	-	6,571	6,571
(d) Investment in other than equity shares (Quoted)	193	-	-	193	193
(e) Trade receivables	2,652	-	-	2,652	2,652
(f) Loans	350	-	-	350	350
(g) Other financial assets	192	-	-	192	192
(h) Cash and cash equivalent	38	-	-	38	38
(i) Bank balances other than cash and Cash equivalent	151	-	-	151	151
Liabilities:					
(a) Borrowings	4,702	-	-	4,702	4,702
(b) Trade payables	1,393	-	-	1,393	1,393
(c) Other financial liabilities	743	-	-	743	743

B. Fair value hierarchy:

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

Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or the liabilities that are not based on observable market data (unobservable Inputs).

(Rs. In lakhs)

	March 31, 2019			March 31, 2018		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
(1) Financial Assets and Financial Liabilities measured at FV recurring FV measurement						
Investment in equity shares of subsidiary (Unquoted)	-	-	-	-	-	200
Investment in other than equity shares (Unquoted)#	-	-	-	6,571	-	-
Investment in equity shares (Quoted)	-	-	-	164	-	-
Investment in other than equity shares (Quoted)	-	-	-	193	-	-
(2) Financial Assets and Financial Liabilities measured at Amortized cost for which FV are disclosed						
Security Deposit	-	-	46	-	-	-

Fair value has been taken as per Net Asset Value (NAV) declared by the venture capital fund.

45. Income tax expense:

a) Tax expense recognized in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
Current tax on taxable income for the year	**198**	418
Total Current tax expense	**198**	418
Deferred tax		
Deferred tax charge/(credit)	**(83)**	292
MAT credit (taken)/utilized	**(20)**	(178)
Total deferred tax expense/(benefit)	**(103)**	114
Tax in respect of earlier years	**(18)**	16
Total income tax expense	**77**	548

b) A reconciliation of the Income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

(Rs. in lakhs)

	Year ended March 31, 2019		Year ended March 31, 2018	
Enacted income tax rate in India applicable to the company	**33.38%**		34.61%	
Profit before tax		**811**		1,802
Current tax expense on profit before tax expense at the enacted income tax rate in India	**33.38%**	**271**	34.61%	624
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income				
Property, plant and equipment – Depreciation	**(5.79)%**	**(47)**	(0.55)%	(10)
Effect of change in tax rate	**(15.88)%**	**(129)**	-	-
- Effect of temporary differences	**4.06%**	**33**	0.22%	4
Income exempted from income tax	**-**	**-**	(0.28)%	(5)
Permanent Difference and Others	**2.46%**	**20**	1.22%	22
Impact of fair valuation/impairment of Investment	**(6.53)%**	**(53)**	(5.72)%	(103)
Income tax expense for the earlier year	**(2.22)%**	**(18)**	0.89%	16
Income Tax Expense recognized in the Statement of Profit & Loss	**9.48%**	**77**	30.39%	548

c) Tax assets and liabilities (Rs. in lakhs)

	As at March 31, 2019	As at March 31, 2018
Non-current tax assets (net)	**23**	29
Current tax liabilities (net)	**-**	37

d) Deferred tax assets and liabilities (Rs. in lakhs)

	As at April 1, 2017 - Deferred tax asset/ liabilities	(Credit)/ Charge in statement of profit and loss	Credit)/ Charge directly in OCI	As at March 31, 2018 - Deferred tax asset/ liabilities	Transfer on account demerger	(Credit)/ charge in statement of profit and loss	(Credit)/ charge directly in OCI	**As at March 31, 2019 - Deferred tax asset/ liabilities**
Fixed Assets: impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	3,450	270	-	3.720	-	(52)	-	**3,668**
Valuation of Investment	167	41	-	208	(208)	-	-	**-**
Deferred Tax Liabilities (A)	3,617	311	-	3,928	(208)	(52)	-	**3,668**
Expenditure allowed for tax purpose on payment basis	58	10	1	69		(28)	(10)	**31**
Allowance for doubtful debts and advances	3	9	-	12		6	-	**18**
Valuation of Investment	-	-	-	-	-	53	-	**53**
MAT Credit Entitlements	-	178	-	178		9	-	**187**
Deferred tax Assets (B)	61	197	-	259	-	40	(10)	**289**
Deferred tax liabilities (net) (A-B)	3,556	114	(1)	3,669	(208)	(92)	10	**3,379**

46. Value of consumption of Spare parts and components consumed during the year:

(Rs. in lakhs)

	Year ended March 31, 2019		Year ended March 31, 2018	
	Value	**%**	Value	%
Raw Material Consumed				
Indigenous	**15,802**	**100**	15,295	100
Imported	-	**-**	-	-
Total	**15,802**	**100**	15,295	100
Spare parts and components				
Indigenous	**783**	**99.87**	735	97.61
Imported	**1**	**0.13**	18	2.39
Total	**784**	**100**	753	100

47. Raw material consumption:

(Rs. in lakhs)

Particulars	**Quantity (in Kgs.) Year Ended March, 31, 2019**	Quantity (in Kgs.) Year Ended March, 31, 2018	**Amount Year Ended March, 31, 2019**	Amount Year Ended March, 31, 2018
Viscose Staple Fibre	**883,679**	1,151,599	**1,535**	1,935
Polyster Fibre	**16,165,989**	16,403,981	**12,411**	11,743
Acrylic Fibre	**385,997**	428,270	**535**	522
Cotton/Cotton Waste	**0**	590	**0**	1
Polyster Filament Yarn/Other Yarn/ Nylon/ Bamboo Fibre	**9,163**	49,778	**21**	49
Dyes and chemicals			**1,072**	1,045
Polyester Yarn Sewing Thread	**97,609**	**-**	**228**	-
			15,802	15,295

48. Particulars in respect of Production, Sales and Stocks

a. Production, Sales and Stocks

Man Made Fibers Spun Yarn

Year Ended	Production (in Kgs.)	Opening Stock		Closing Stock	
		Quantity (in Kgs.)	Value (in Lakhs)	Quantity (in Kgs.)	Value (in Lakhs)
March 31, 2019	**16826787**	**1824283**	**2,607**	**1982168**	**2,823**
March 31, 2018	17343630*	1985648	2,779	1824283	2,607

* Production includes 48466 kgs Filament Yarn purchased for manufacture of Knitted Fabrics for Job Work.

Sewing Thread

Year Ended	Production (in Kgs.)	Opening Stock		Closing Stock	
		Quantity (in Kgs.)	Value (in Lakhs)	Quantity (in Kgs.)	Value (in Lakhs)
March 31, 2019	**99444***	**-**	**-**	**23901**	**80**
March 31, 2018	-	-	-	-	-

* Production includes 4402 Kgs received from Spinning Division for manufacture of Sewing Thread.

b. Turnover during the year:

(Rs. in lakhs)

Particulars	**Quantity (in Kgs.) Year Ended March 31. 2019**	Quantity (in Kgs.) Year Ended March 31. 2018	**Value Year Ended March 31. 2019**	Value Year Ended March 31. 2018
Man-made Fibre spun Yarn	**16369998***	17213731	**26009**	**26613**
Knitted Fabric (Job Work)	**288192**	283910	**446**	**411**
Sewing Thread	**75543**	-	**278**	**-**

*Excluding shortage/wastage of yarn 451kgs (3379 Kgs), Knitted Fabric 5859 Kgs (3975 Kgs)

*Sales excluding 4402 Kgs yarn issued for Captive Consumption for manufacture of Sewing Thread.

49. CIF Value of Imports: (Rs. in lakhs)

Particulars	**For the year ended March 31, 2019**	For the year ended March 31, 2018
Capital Goods	**344**	539
Stores and Spares	**1**	17

(b) Income and Expenditure in Foreign Currency: Nil (March 31, 2018: Nil)

50. Related Party disclosures as required by Ind AS-24 issued by Ministry of Corporate Affairs(MCA):

50.1 List of related parties and their relationship:

1 **Subsidiary**	APM Finvest Limited	Incorporated on May 13, 2016 (Ceased to be subsidiary w.e.f. April 01, 2018)
2 **Key management personnel**	R. K. Rajgarhia	Executive Chairman
	S. G. Rajgarhia	Director and Brother of Chairman
	Hari Ram Sharma	Managing Director and Director in Arvind Syntex Private Limited
3. **Relatives of Key Mamagement Personnel with whom transactions are taken place**	Prabha Rajgarhia	Wife of Chairman
	Sanjay Rajgarhia	Son of Chairman
	Pooja Rajgarhia	Daughter in law of Chairman
	Ajay Rajgarhia	Vice President (Business Development) and son of Chairman
	Anjali Harlalka	Daughter of Chairman
	Deepak Harlalka	Son in law of Chairman

		Aditi Rajgarhia	Grand Daughter of Chairman
		Nawal Kishore Rajgarhia	Brother of Chairman & Shri S G Rajgarhia
		Purushottam Kumar Rajgarhia	Brother of Chairman & Shri S G Rajgarhia
		Surendra Kumar Rajgarhia	Brother of Chairman & Shri S G Rajgarhia
		Sunita Bagla	Sister of Chairman & Shri S G Rajgarhia
		Usha Rajgarhia	Wife of Shri S G Rajgarhia
		Anisha Mittal	Daughter of Shri S G Rajgarhia
		Bhavna Rajgarhia	Daughter of Shri S G Rajgarhia
		Sampat Sharma	Wife of Managing Director
		Arvind Sharma	Son of Managing Director
4.	**Non-Executive Directors**	K R Gupta	Non-Executive and Independent Director
		S G Rajgarhia	Non-Executive and Non-Independent Director
		R R Bagri	Non-Executive and Independent Director
		Uma Hada	Non-Executive and Independent Director
5.	**Enterprises over which, shareholders/ Promoters are having significant influence**	APM Finvest Limited	Significant influence w.e.f. April 01, 2018
6.	**Enterprises over which, executives directors/ their relatives described in para 2 & 3 are able to exercise significant influence**	Perfectpac Limited	
		Rajgarhia Leasing & Financial Services Private Limited	
		Arvind Syntex Pvt Ltd	
		Faridabad Paper Mills Private Limited	
		Essvee Fiscal LLP	
		Rovo Marketing Private Limited	
		R K R Foundation	
		Ram Lal Rajgarhia Memorial Trust	

50.2 The following transactions were carried out with related parties in the ordinary course of business

(Rs in Lakhs)

Name of the related party	Nature of transaction	Year ended March, 31 2019	Year ended March, 31 2018
Arvind Syntex Private Limited	Sales (Net of Sales return)	**28**	3
Arvind Syntex Private Limited	Purchase	**9**	-
Arvind Syntex Private Limited	Job work	**79**	70
Rajgarhia Leasing & Financial Services Private Limited	Interest Paid	**38**	38
Ram LalRajgarhia Memorial Trust	Contribution to Corporate Social Responsibility	**6**	10
K R Gupta	Director Sitting Fees	**3**	3
R R Bagri	Director Sitting Fees	**3**	3
S G Rajgarhia	Director Sitting Fees	**2**	3
Uma Hada	Director Sitting Fees	**1**	0*
APM Finvest Limited	Investment in subsidiary	**-**	0
APM Finvest Limited	Expenses incurred on behalf of subsidiary	**-**	1
PrabhaRajgarhia	Rent	**10**	10
Ajay Rajgarhia	Rent	**15**	15
AditiRajgarhia	Rent	**2**	2
Rajgarhia Leasing & Financial Services Private Limited	Loans Repaid	**2,563**	4,515
Rajgarhia Leasing & Financial Services Private Limited	Loans/Advances taken	**2,563**	4,120
APM Finvest Limited	Payment made by the Company on its behalf	**378**	-
APM Finvest Limited	Payment received by the Company on its behalf	**1,008**	-
APM Finvest Limited	Loan Refunded	**263**	-
APM Finvest Limited	Interest Expenses	**19**	-
R K Rajgarhia	Remuneration	**109**	92
Hari Ram Sharma	Remuneration	**97**	92
Ajay Rajgarhia	Remuneration	**19**	18
R K Rajgarhia	Additional Guarantee provided for term loan/Working Capital Loan	**1,497**	1,309

* Rs 0.20 Lakh

50.3 Outstanding balances with related parties

(Rs in Lakhs)

Name of the related party	Nature of transaction	As at March, 31 2019	As at March, 31 2018
APM Finvest Limited	Loan Taken	**367**	-
R K Rajgarhia	Guarantee provided for Company Loan	**5,319**	3,822
Arvind Syntex Private Limited	Payable	**-**	8

50.4 Key Management Personnel Remuneration

Key management personnels remuneration comprised of the following:

(Rs in Lakhs)

Particulars	R.K. Rajgarhia, Executive Chairman		H.R. Sharma, Managing Director	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Salary and Allowances	**104**	87	**95**	91
Contribution to Provident and other Funds	**-**	-	**	**
Value of benefits, calculated as per Income Tax Rules	**5**	5	**2**	1

**Rs 0.22 Lakh (Rs. 0.20 Lakh)

50.5 No amount pertaining to related parties which have been provided for as doubtful debts or written off

50.6 Related party relationship is as identified by the Company and relied upon by the Auditors

51. Segment Reporting

The Company has identified a second reportable segment of Finance and Investment during the previous year ended March 31, 2018 as the same is added in the main object w.e.f. August 22, 2017. Accordingly, there are two reportable segment of Yarn Manufacturing and Finance and Investment. The Chief Operating Decision Maker reviews the operating results of these two segment.In the prior periods, such segment was included under “Other Income”. However in the current year the company has only one segment i.e. ‘Yarn Manufacturing’ as the ‘Finance and Investment’ undertaking has been demerged with effect from April 01, 2018 as explained in Note No. 39

a) Business segment:

The Company has considered “Manufacturing” and “Finance and Investment” as business segment for disclosure in the context of Indian Accounting Standard 108 “Operating Segment”.

(Rs. In Lakhs)

	March 31, 2019			March 31, 2018		
Particulars	**Manufacturing**	**Finance and Investment**	**Total**	Manufacturing	Finance and Investment	Total
Total Revenue	**27,365**	**-**	**27,383**	27,859	605	28,464
Inter-Segment Sales	**-**	**-**	**-**	-	-	-
External Sales	**27,383**	**-**	**27,383**	27,859	605	28,464
Segment Profit before finance cost, exceptional item and tax	**1,247**	**-**	**1,247**	1,607	603	2,210
Finance Cost	**436**	**-**	**436**	-	-	408
Profit before tax	**811**	**-**	**811**	-	-	1,802
Segment assets	**24,364**	**-**	**24,364**	22,248	7,290	29,538
Unallocated corporate assets	**-**	**-**	**-**	-	-	229
Total Assets	**24,364**	**-**	**24,364**	22,248	7,290	29,767
Segment liabilities	**12,152**	**-**	**12,152**	7,061	-	7,061
Unallocated corporate liabilities	**-**	**-**	**-**	-	-	3,706
Total Liabilities	**12,152**	**-**	**12,152**	7,061	-	10,767
Depreciation	**542**	**-**	**542**	485	-	485
Non-cash expenses other than depreciation	**32**	**-**	**32**	55	-	55
Capital expenditure	**872**	**-**	**872**	2,180	-	2180

b) Geographical Segment:

During the period under report, the Company has engaged in its business primarily within India. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

52. Earnings per Share (EPS)

(Rs. in lakhs)

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Net profit for the period (before OCI)	**734**	1,254
Weighted average no. of Equity Shares	**21611360**	21611360
Diluted average no. of Equity Shares	**21611360**	21611360
Basic earnings per share (in Rs.)	**3.40**	5.81
Diluted earnings per share (in Rs.)	**3.40**	5.81
Face value of each shares (in Rs.)	**2**	2

53. Figures for the financial year ended March 31, 2019 are not comparable with the figures of the previous financial year ended March 31, 2018 as the current year figures do not include figure of Investment and Finance undertaking due to demerger of Investment and Finance undertaking with effect from April 1, 2018 as explained in Note 39.

54. All amounts in the financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III except per share data and as otherwise stated. Figures in brackets represent corresponding previous year figures.

See accompanying notes to the financial statements

For and on behalf of the Board

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

ANUJ MAHANSARIA
Partner
Membership No. 500819

HARI RAM SHARMA
Managing Director
DIN 00178632

C S VIJAY
Chief Financial Officer

R K RAJGARHIA
Chairman
DIN 00141766

K R GUPTA
Director
DIN 00027295

NEHA JAIN
Company Secretary
Membship No. 48053

Place : New Delhi
Date : June 20, 2019