Notes to the Financial Statements as at and for the year ended 31st March 2019

1. Summary of Significant Accounting Policies and Other Explanatory Information

I. GENERAL CORPORATE INFORMATION

Krypton Industries Limited ("The Company") with its registered office at Falta Special Economic Zone, Sector - 1, Plot No. 31 & 32, P.S - Diamond Harbour, 24 Parganas, South, West Bengal - 743504. The Company is engaged in Manufacture and Sale of Tubeless Tyres, Commode Chairs, P.U. Shoe Soles, P.U. Sandals/ Chappals and trading in Tubeless Tyres, Wheel Chairs and its accessories, Walker, Cycle Accessories, Plastic Rims, Crutches, Rollators, etc.

The financial statements were authorised for issue by the Company's Board of Directors of 30th May, 2019.

II. BASIS OF PREPARATION:

a) Statement in Compliance with Indian Accounting Standards (Ind AS)

The standalone financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional Currency. All figures have been rounded off to the nearest thousand, unless otherwise indicated.

Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities that are measured at fair value; and

- defined benefit plans - plan assets measured at fair value.

Accounting estimates and judgements

Preparation of financial statements requires the use of judgements, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation of such estimates and judgments are done based on historical experience and other factors, including future expectations that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Details of critical estimates and judgments used which have a significant effect on the carrying amount of assets and liabilities, are provided in the following notes:

Income tax:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Useful life of property, plant and equipments:

Refer note III (b) for details.

Notes to the Financial Statements as at and for the year ended 31st March 2019

Measurement of defined benefit obligations:

The costs of providing pensions and other post-employment benefits are charged to the standalone statement of profit and loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 32 and 46.

Classification of leases:

Refer note III (j) for details.

Estimation of provisions and contingencies:

Refer note III (k), 20, 27 and 40 for details.

Recognition of deferred tax assets:

Refer note III (l) for details.

Fair value measurements:

When the fair values of financials assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

The Company presents all its assets and liabilities in the standalone balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria asset out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

III. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue from contract with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. 1 April 2018) in retained earnings, if any. The comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under Ind AS 18. Refer note III(a) of the Standalone Financial Statement Significant accounting policies - Revenue recognition in the Annual report of the Company for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

At contract inception, Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products or services to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products or services.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products and rendering of certain services, revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods or services. There are no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

The Company recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Customer Incentive:

The Company usually have customer Incentive programs for their customers based on the sales from time to time. The Company grants incentive to only those customers who have qualifying sales, at certain percentage of total transaction made by them during the said periods.

The company has made a provisional calculation of the Incentive to be made for the period and the same has been considered by the company while computing the Net Revenue in the books.

Job Work:

The Company has entered into Job Work arrangements with big OEM's,and products are manufactured on their behalf and accordingly, the revenues from such arrangements have been recorded as part of gross revenue.

Income from export incentives:

Income from export incentives such as Merchandise Export from India Scheme (MEIS) and duty drawback are recognized on accrual basis.

Interestincome:

Interest income is recorded on accrual basis using the effective interestrate (EIR) method.

(b) Property, plant and equipment

Recognition and initial measurement:

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the

Notes to the Financial Statements as at and for the year ended 31st March 2019

acquisition of the items. Subsequent costs are added in the asset's carrying amount/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 such item can be measured reliably. All other repairs and maintenance expenses are charged to the standalone statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the standalone statement of profit and loss. Refer Note No. 2 to Financial Statements.

Capital work-in-progress:

Property, plant and equipment which are not ready for intended use as on the balance sheet date are disclosed as "Capital work-in-progress".

Subsequent measurement(depreciation and useful lives):

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Depreciation of land acquired under finance lease and leasehold improvements is provided over their respective lease period or estimated useful life whichever is shorter. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each Balance Sheet date and any change in them is adjusted prospectively.

Category of asset	***Useful life***
Buildings	30 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Office equipment	3 - 5 years
Vehicles	8-10 years

Freehold land is carried at historical cost. The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used. Refer Note No. 2 to Financial Statements.

De-recognition:

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

(c) Financial Instruments

A) Financial Assets:

Classification: The Company classifies its financial assets in the following measurement categories depending on the Company's business model for managing such financial assets and the contractual cash flow terms of the asset.

(i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

(ii) those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the statement of profit and loss or other comprehensive income. Investments in debt instruments are classified depending on the business model managing such investments.The Company re-classifies the debt investments when and only when there are a change in business model managing those assets. For investments in equity instruments recording of gains or losses shall depend on whether the Company has made an irrevocable election at the time of initial recognition to account for such equity investments at fair value through other comprehensive income.

Measurement: At initial recognition, the Company measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss as and when they are incurred.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model managing such debt instruments and the contractual cash flow characteristics of the instrument.There are three measurement categories into which the debt instruments are classified:

(i) Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(ii) Fair value through other comprehensive income (FVOCI):Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at Fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Again or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in statement of profit and lossin the period in which it arises.

Equity instruments: The Company classifies all its equity investments at fair value through profit and loss or at fair value through other comprehensive income basis. Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gains/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value.

Impairment:

The Company assesses the expected credit losses for its financial assets at amortized cost and FVTOCI debt instruments. Impairment methodology applied depends on whether there has been a significant increase in credit risk and the loss amount assessed depends upon past events, present conditions and future economic scenario.

In accordance with Ind AS 109: Financial instruments, the company recognizes impairment loss allowance on trade receivables based on historically observed default rates. Impairment loss allowance recognized during the year is charged to Statement of profit and loss.

De-recognition:

A financial asset is de-recognized when:

(i) Contractual right to receive cash flows from such financial asset expires;

(ii) Company transfers the contractual right to receive cash flows from the financial asset; or

(iii) Company retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the Company has neither transferred nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company does not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in such financial asset.

B) Financial Liabilities

Classification & Measurement

Financial liabilities are classified as measured atamortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measuredat amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

De-recognition:

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

C) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when,and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset'sfair value less costs of disposal and value in use.For the purposes 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 fromother assets or groups of assets (cash-generating units). Impairment loss is charged to the Statementof Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in the prior accounting periods isreversed if there has been change in the estimatesused to determine the assets recoverable amount since the last impairment loss was recognised.

(d) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised overthe period of the facility to which it relates.

Borrowings are derecognized from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone statement of profit and loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Notes to the Financial Statements as at and for the year ended 31st March 2019

(f) Inventories

Raw materials, packing materials, work-in-progress, stores and spares, finished goods and stock-in-trade are valued at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

Cost of inventories comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities), cost of conversion and all other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In determining the cost of manufactured finished goods and work-in-progress an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and conditions are considered. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, lessthe estimated costs of completion and the estimated costs necessary to make the sale. Adequate allowance is made for obsolete and slow moving items. Refer Note No. 8 to financial statements.

(g) Cash and cash equivalents

Cash and cash equivalents comprise of cash-on-hand and short term demand deposits with banks. The Company considers it's highly liquid, short-term investments (having maturity less than three months) which can be readily converted to fixed/determinable amount of money and subject to insignificant risks arising from changes in their fair values, as cash equivalents. Refer Note No. 10 & 11 to Financial Statements.

(h) Foreign currency transactions

Transactions and balances:

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the exchange rates prevailing on the balance sheet dates are recognized in the standalone statement of profit and loss.

(i) Employee benefits expense

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus,if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amountof obligation can be estimated reliably.

(ii) Post-retirement benefits

Post-retirement benefits to employees can either be through defined contribution plans or defined benefit plans.A defined contribution plan is a post-employment benefit plan under which an entity pays fixedcontributions into a separate entity and will have no legal or constructive obligation to pay furtheramounts. The Company makes specified monthly contributions towards Government administered provident fund and pension schemes.The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.The Company operates a Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses,the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

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

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

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

The current and non-current bifurcation is done as per Actuarial report. Refer Notes 20, 27, 32 & 46 to Financial Statements.

(j) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease which transfers substantially all risks and rewards incidental to the ownership of the leased asset is classified as a finance lease. All other lease arrangements are classified as operating leases.

(k) Provisions, contingeniabilities and contingent assets

Provisions:

Provisions are recognized when there is 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 of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. Refer Note No. 20 & 27 to Financial Statements.

Contingent liabilities: 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. Refer Note No. 40 to financial statements.

Contingent assets: Contingent assets are not recognized in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognized in the period in which the changes occurred.

(l) Income tax

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Current tax is calculated based on tax laws enacted orsubstantively enacted at the end of the reporting period.

Deferred tax is recognized on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the financial statements at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet Date.

Deferred Tax Assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized Deferred tax Assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

For items recognized in OCI or equity, deferred/current tax is also recognized in OCI or equity.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the standalone statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Current tax assets and tax liabilities are offsetted where the entity has a legally enforceable right to offset and intends eitherto settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(m) Segment reporting

As per Ind AS 108: Operating Segments, the Company has identified the following operating segments:

(i) Tyre, Rims & Wheel

(ii) Footwear

(iii) Hospital Equipments

(n) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(o) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss before OCI for the period by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per equity share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet dates, the Company has no dilutive potential equity shares.

(p) Accounting Standards Issued but not yet Effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new standards/amendments to the existing standards, which the Company has not applied as they are effective from April 1, 2019:

i. Ind AS 116 - Leases

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17- Leases.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, prospectively. The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the new standard. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

ii. Ind AS 12 Appendix C, Uncertainty over Income TaxTreatments

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax creditsand tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

iii. Ind AS 19 - Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

2. Property, Plant and Equipment

Summary of cost and net carrying amount of each class of tangible assets are given below:

	Cost		Accumulated Depreciation		Net Carrying Amount	
	31/03/2019 (₹ Thousands)	31/03/2018 (₹ Thousands)	**31/03/2019 (₹ Thousands)**	31/03/2018 (₹ Thousands)	**31/03/2019 (₹ Thousands)**	31/03/2018 (₹ Thousands)
Freehold Land	**14,392.03**	14,392.03	**-**	-	**14,392.03**	14,392.03
Buildings	**84,361.79**	84,080.17	**10,742.75**	7,153.21	**73,619.04**	76,926.96
Plant and Machinery	**94,577.39**	90,486.78	**30,318.05**	20,147.28	**64,259.34**	70,339.50
Furniture and Fixtures	**4,808.68**	4,808.68	**2,002.78**	1,384.63	**2,805.90**	3,424.05
Electrical Installation	**7,719.86**	7,496.72	**2,942.22**	2,283.42	**4,777.64**	5,213.30
Office Equipment	**1,345.00**	1,032.17	**465.95**	313.84	**879.05**	718.33
Computers	**221.45**	221.45	**131.88**	119.04	**89.57**	102.41
Vehicles	**7,970.46**	5,699.70	**3,076.51**	2,357.30	**4,893.95**	3,342.40
	215,396.66	208,217.70	**49,680.14**	33,758.72	**165,716.52**	174,458.98

Notes to the Financial Statements as at and for the year ended 31st March 2019

(a) Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2019 are as under:

Cost	As at 31/03/2018	Additions	Disposals	**As at 31/03/2019**
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	**(₹ Thousands)**
Freehold Land	14,392.03	**-**	-	**14,392.03**
Buildings	84,080.17	**281.62**	-	**84,361.79**
Plant and Machinery	90,486.78	**4,090.61**	-	**94,577.39**
Furniture and Fixtures	4,808.68	**-**	-	**4,808.68**
Electrical Installation	7,496.72	**223.14**	-	**7,719.86**
Office Equipment	1,032.17	**312.83**	-	**1,345.00**
Computers	221.45	**-**	-	**221.45**
Vehicles	5,699.70	**2,270.76**	-	**7,970.46**
	208,217.70	**7,178.96**	-	**215,396.66**
Previous Year	206,094.90	2,122.80	-	208,217.70

Accumulated Depreciation

	As at 31/03/2018	Additions	Deductions/ Other Adustments	**As at 31/03/2019**
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	**(₹ Thousands)**
Freehold Land	-	-	-	-
Buildings	7,153.21	**3,589.54**	-	**10,742.75**
Plant and Machinery	20,147.28	**10,170.77**	-	**30,318.05**
Furniture and Fixtures	1,384.63	**618.15**	-	**2,002.78**
Electrical Installation	2,283.42	**658.80**	-	**2,942.22**
Office Equipment	313.84	**152.11**	-	**465.95**
Computers	119.04	**12.84**	-	**131.88**
Vehicles	2,357.30	**719.21**	-	3,076.51
	33,758.72	**15,921.42**	**-**	**49,680.14**
Previous Year	17,059.53	16,699.18	-	33,758.71

3. Capital Work-in-Progress	**As at 31/03/2019**	As at 31/03/2018
	(₹ in Thousands)	(₹ in Thousands)
Capital WIP		
Plant & Machinery	**2,065.68**	2,027.68
	2,065.68	2,027.68

Notes to the Financial Statements as at and for the year ended 31st March 2019

4. Investments

	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Investments in Equity Instruments (Unquoted) (a)	**202.00**	202.00
Gold Coins (Desginated at Fair Value thorugh Profit & Loss)	**426.61**	414.18
Sovereign Gold Bond (Desginated at Fair Value thorugh Profit & Loss)	**99.25**	-
	727.86	616.18

Note: i) As at the Balance Sheet date, none of the investments in equity instrument have been impaired.

(a) Disclosure with regard to investments in bodies corporate are given below:

		Face Value per Unit (in ₹)	As at 31/03/2019 Numbers	As at 31/03/2019 (₹ Thousands)	As at 31/03/2018 Numbers	As at 31/03/2018 (₹ Thousands)
i. Other Investments						
Investments in Equity Instruments (Unquoted)- (Measured at Cost)						
Krypton Developers Limited	Others	10	**9,400**	**94.00**	9,400.00	94.00
I Care International Private Limited	Others	10	**10,800**	**108.00**	10,800	108.00
			20,200	**202.00**	20,200	202.00

5. Long Term Loans (At Amortised Cost)

	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Long Term Loans		
Loans to Others	**10,060.08**	10,649.78
Unsecured, Considered Good		-
	10,060.08	10,649.78

6. Other Financial Assets

	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Security Deposits	**1,728.26**	1,441.76
Unsecured, Considered Good		-
Loans/ Advances to Others	**1465.87**	2393.93
	3,194.13	3,835.69

7. Non-Current Tax Assets

	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Income Tax Deducted at Source	**2554.68**	3185.86
Unsecured, Considered Good		
Duties & Taxes	**1,056.87**	-
Advance Tax		-
	3,611.55	3,185.86

Notes to the Financial Statements as at and for the year ended 31st March 2019

8. Inventories	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Raw Materials	**48,004.02**	52,344.35
Work -in- Progress	**17,532.00**	16,388.30
Consumable stores	**1,449.96**	1,698.27
Finished Goods	**80138.22**	76934.14
Stock -in -Trade	**448.30**	1,331.10
Stores & Spares	**11,758.93**	10,807.03
Upper (Produced Raw Material)	**13,508.03**	14,466.57
Packing Materials	**642.16**	1,062.25
	173,481.62	175,032.01

Note: Inventories are pledged against the borrowings obtained by the company as referred in Note no. 22

9. Trade Receivables (at Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Considered Good	**59,244.16**	68,331.87
Considered Doubtful	**1,177.26**	2,053.16
	60,421.42	70,385.03
Less: Allowances for doubtful Debts	**1177.26**	2053.16
TOTAL	**59,244.16**	68,331.87

Note: Trade Receivables are pledged against the borrowings obtained by the company as referred in Note no. 22

10. Cash & Cash Equivalent	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Cash and Cash Equivalents:		
Cash on hand	**2,669.04**	1,274.72
Balance with Bank		-
Current A/c	**5980.57**	1337.86
	8,649.61	2,612.58

11. Bank Balances other than cash & cash Equivalent	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Bank Balances		
Fixed Deposits maturing within 12 months	**8,774.08**	10,331.24
	8,774.08	10,331.24

12. Short term Loans (at Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Loans to Others	**4,151.47**	5,740.69
	4,151.47	5,740.69

Notes to the Financial Statements as at and for the year ended 31st March 2019

13. Other Financial Assets (at Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Deposit against Tender	**-**	200.00
Security Deposits	**126.00**	-
Unsecured, Considered Good		
Loans/ Advances to Others	**1,512.20**	-
	1,638.20	200.00

14. Current Tax Assets	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Excise Duty	**103.52**	20.87
Custom Duty	**603.72**	1,207.03
VAT & CST	**2485.71**	2487.17
GST	**22,791.95**	17,970.16
TDS Receivable	**1,165.19**	-
	27,150.09	21,685.23

Note: Balances with government authorities primarily include amounts realisable from goods and servicestax,state excise authorities and transitional credit carried forward under the goods and services tax regime. These are expected to be realised within a period of one-year, by off-setting the same against the output goods and services tax liability on goods supplied by the Company. Accordingly these balances have been classified as current assets.

15. Other Current Assets	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Advances to Suppliers	**4,048.86**	399.71
Advances against Wages	**3332.67**	742.00
Prepaid Insurance/ Expenses	**1,043.59**	346.48
Others	**59.40**	59.40
	8,484.52	1,547.59

16. Equity Share Capital	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Authorized Share Capital:		
2,16,00,000 (Previous year 2,16,00,000) Equity Shares of Rs. 10 each.	**216,000.00**	216,000.00
Issued, Subscribed and Paid-up:		
1,46,97,130 (Previous year 1,46,97,130) Equity Shares of Rs. 10 each fully paid-up	**146,971.30**	146,971.30

Notes to the Financial Statements as at and for the year ended 31st March 2019

A. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

Particulars	2018-19		2017-18	
	Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
Equity Shares outstanding at the beginning of the year	**14,697,130**	**146,971.30**	14,697,130	146,971.30
Add: Equity Shares Issued during the year	-	-	-	-
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	**14,697,130**	**146,971.30**	14,697,130	146,971

B. Terms/Rights attached to Equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share.Each share holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	Numbers of Shares held	Numbers of Shares held	Numbers of Shares held	Numbers of Shares held
Jay Singh Bardia	**1,542,208**	**10.49%**	1,538,550	10.47%
Panna Lal Bardia	**1,609,944**	**10.95%**	1,584,944	10.78%

Note: Shareholding of Panna Lal Bardia includes holding of Hulashchand Tarachand Bardia (HUF) in which Panna Lal Bardia is Karta

D. No additional shares were alloted asa fully paid up by way of Bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the company during last five years.

17. Other Equity

	As at 31/03/2019	As at 31/03/2018
	(₹ in Thousands)	(₹ in Thousands)
General Reserve	**5,707.51**	5,707.51
Securities Premium Account	**36,553.40**	36,553.40
Retained Earnings		
Opening Balance	**69,160.48**	69,564.30
Add: Profit/(loss) for the year	**9,310.42**	(407.87)
Add: adjustments due to transition to Ind AS	-	-
Add: Other Adjustments	**3214.52**	4.05
Net Retained Earnings	**81,685.42**	69,160.48
Other Comprehensive Income		
Balances at the beginning	**(596.74)**	(780.71)
Add: Remeasurement of defined benefits plans (net of Tax)	**54.63**	183.97
Net other comprehensive Income	**(542.11)**	(596.74)
	123,404.22	110,824.65

Notes to the Financial Statements as at and for the year ended 31st March 2019

Nature and purpose of reserves:

General Reserve

General Reserve has been created out of profits earned by the Company in the previous years. General reserves are free reserves and can be utilised in accordance with the requirements of the Companies Act, 2013.

Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of Section 52 of the Companies Act, 2013

Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Other Comprehensive Income (OCI)

OCI reserve includes the net gain/loss on fair value of Investments and remeasurements of defined benefits plans.

18. Other Financial Liabilities (At Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Security Depsosit received	-	400.00
	-	400.00

19. Borrowings (At Amortised Cost)	Non-Current Maturities As at		Current Maturities As at	
	31/03/2019 (₹ Thousands)	31/03/2018 (₹ Thousands)	31/03/2019 (₹ Thousands)	31/03/2018 (₹ Thousands)
Term Loans:				
From Banks (Secured)	-	667.13	674.60	2,700.00
From Related Parties (Unsecured) (Refer Note No. 43)	-	6,468.30	6,468.30	-
From Other Parties (Unsecured)	12,946.62	15,527.18	2,869.76	7,106.01
Car Loan (Secured)	1,197.08	-	631.56	278.31
	14,143.70	22,662.61	10,644.22	10,084.32
The above amount includes				
Securred Borrowings	1,197.08	667.13	1,306.16	2,978.31
Unsecured Borrowings	12,946.62	21,995.48	9,338.06	7,106.01
Amount disclosed under the head Other Financial Liabilities "(Note 24)"	-	-	(10,644.22)	(10,084.32)
Net Amount	14,143.70	22,662.61	-	-

A. Car Loan from Yes Bank Ltd. was taken during the FY 2018-19, the loan is repayable in 37 installment of ₹ 30,903/- inclusive of interest from the date of loan. The Car loan is secured by hypothecation of Hyundai Creta.

B. The Car Loan from ICICI Bank was taken during the Financial Period 2018-19, canies interest @ 9.05%. The loan is repayable is 36 EMIs of ₹ 33481/-. The loan is secured by hypothecation of the car Honda City.

C. The Term Loan from The Federal Bank Ltd. was sanctioned during the Financial Year 2013-14 and carries floating interest @ base rate + 3.50% p.a. with monthly rests (as per Sanction Letter dated 15.10.2013) with a Limit of ₹ 135 Lakhs. The loan is repayable monthly from July, 2014 bearing Principal Amount of ₹ 2.25 Lakhs along with interest. The term loan is secured by the Exclusive Equitable Mortgage over the entire industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z. Road, J.L. No. 59 & 41, Dag No. 439, 440 & 441, including Land and Civil Structure constructed thereon, and hypothecation of Machineries procured or to be procured out of the Term Loan. Further, the loans are secured by the personal guarantee of Mr. J.S Bardia, the Managing Director of the company.

Notes to the Financial Statements as at and for the year ended 31st March 2019

20. Long Term Provisions	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Provision for Gratuity	**4,368.93**	8,513.99
	4,368.93	8,513.99

21. Deferred Tax Liabilities	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Deferred Tax Liabilities		
Opening Balance	**14,730.95**	15,485.95
Related to Fixed Assets and Amortization Expenses	**(200.17)**	(833.00)
Adjustments due to adoption of IND AS		
Deferred Tax Liabilities on OCI	**19.20**	78.00
	14,549.98	14,730.95
Un-utilized MAT Credit	**(5,094.88)**	(5,094.88)
Deferred Tax Liabilities (Net)	**9,455.10**	9,636.07

22. Current Liabilities : Borrowings (At Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Cash Credit (Secured)	**80,747.66**	76,632.79
Packing Credit (Secured)	**38,086.53**	30,610.00
Foreign Bills Purchased	**-**	-
Buyer's Credit balances	**2,045.26**	12,821.66
	120,879.45	120,064.45

A. The Packing Credit from Bank of Baroda has been reviewed during the financial year 2018-19 and carries floating interest @ 1 Year MCLR+Strategic Premium+1.25 % p.a. .with monthly rests subject to Limit of ₹ 400 Lacs. The loan is secured by hypothecation of both present and future stock of Raw material, Work in progress, Finished goods, Stores and spares, Lodgement of Letter of Credit/Company Order, WTPCG of ECGC, Equitable Mortgage of Land and Building/Factory Shed. Further, the loans are secured by personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. "(As per sanction letter dated November 2018).

B. The Cash credit from Bank of Baroda was renewed during the financial year 2018-19 and carries interest rate of MCLR+ Strategic Premium+ 2.40 % at a floating rate with monthly rests. The loan is repayable as per term each along with interest, from the date of loan. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated November 2018)

C. The cash credit from The Federal Bank Ltd. was sanctioned during the financial year 2017-18 and carries floating interest @ MCLR + 3.20% p.a. with monthly rests (as per Sanction Letter dated 16.10.2017) with a Limit of ` 230 Lacs. The loan is repayable as per term each along with interest from the date of loan. The cash credit is secured by 1st pari passu charge on the entire current assets of the company, both present and future, with Bank of Baroda under Multiple Banking Arrangement, including Hypothecation of Stock at 50% Margin and Book Debts at 25% Margin. The Cash Credit is further secured by Collateral of Extension of Exclusive Equitable Mortgage over the entire Industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z Road, J.L. No. 59 & 41. Dag No. 439, 440 and 441 which is already charged as primary security for the Term Loan. Further, the loans are secured by personal guarantee of Mr. J.S Bardia, the Managing Director of the company.

Notes to the Financial Statements as at and for the year ended 31st March 2019

23. Trade Payables (At Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Payable to Micro, Small and Medium Enterprise (Refer Note No. 50)	**201.97**	-
Trade Payables (other than SMEs)	**23,391.83**	30,798.76
	23,593.80	30,798.76

24. Other Financial Liabilities (At Amortised Cost)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Current Maturities of Borrowings	**10,644.22**	10084.32
Security Deposit	**400.00**	
Payables		
For Wages & salaries	**2806.14**	2508.74
For Other Expenses	**8984.57**	10319.94
Provision for Audit Fees	**225.00**	225.00
	23,059.93	23,138.00

25. Other Current Liabilities	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Customers' credit balances	**7132.06**	3987.41
Statutory dues Payables		
ESIC & PF Payable	**683.30**	638.35
Professional Tax Payable	**15.87**	12.67
Other liabilities	**4.9**	206
Advances		-
	7,836.13	4,844.43

26. Current Tax Liabilities (Net)	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
TDS	**307.72**	376.71
Duties & taxes	**1,142.23**	1,234.45
	1,449.95	1,611.16

27. Current Provisions	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Provision for Gratuity	**567.66**	789.96
Provision for Discount	**1,219.40**	-
	1,787.06	789.96

Note: Above provision for Discount include the provision made with respect to the estimated incentive to be provided to the customers for the current financial year and the actual reimbursement will be made in the subsequent year.

Detailed summary of the Provisions :	**Provision for Discount**
Opening balances as on 01.04.2018	-
Add: Addition during the year	1219.40
Less: Adjusted amount during the year	-
Closing balance as on 31.03.2019	**1219.40**

Notes to the Financial Statements as at and for the year ended 31st March 2019

28. Revenue from Operations:	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Sale of Products		
M.C.P. Tyres & Armrest - Overseas	**64,159.78**	60,155.08
M.C.P. Tyres & Armrest - Exports	**12,472.32**	10,140.81
M.C.P. Tyres & Armrest - Domestic	**103,558.10**	93,643.39
Bedding & furnishing	**1,687.26**	518.97
P.U. Shoe Sole - Domestic	**23,196.96**	21,932.92
P.U. Sandles - Domestic	**383.73**	1,395.20
Other Footwears	**267.54**	10,068.87
Hospital Equipments - Domestic	**355.33**	1,176.82
Wheel Chair - Domestic	**108,034.94**	50,231.74
Crutch and Walking Aids - Domestic	**3,487.78**	5,512.61
Spares - Domestic	**4,929.66**	5,047.71
Commode Chairs - Domestic	**-**	6,040.81
Sale of Services		
Job Work charges	**36,189.77**	26,297.33
Other Operating Revenues		
Other Operating Income	**2,691.00**	1,449.00
Scrap Sales	**342.34**	
Gross Revenue from Operations	**361,756.51**	293,611.26

Note: (i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax, GST etc.

(ii) Sale of goods includes excise duty collected from customers of Rs. NIL (PY 427.99)

(iii) Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations are disclosed net of GST. Accordingly the revenue from operations for year ended March 31, 2019 are not comparable with the previous years figure.

29. Other Income:	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Sundry balance written off	-	0.40
Discount Received	**0.40**	32.85
Interest Income on Bank Deposits	**872.55**	524.11
Interest Income on Loan & Others	**950.64**	1,177.85
Gain/Loss on Sale of Duty Scripts	**(63.68)**	
(Gain)/ Loss on foreign currency transactions and translation (Note 41)	**243.73**	914.55
Rent Received	**-**	494.00
Other Non-Operating Income	**-**	3,201.07
Fair Valuation of Gold through P/L	**13.01**	19.31
MEIS Scheme	**1,882.60**	1,254.89
Tax Credit (Trans-1)	**-**	2,737.95
Service Tax Refund	**-**	45.18
	3,899.25	10,402.16

30. Cost of Materials Consumed:	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Raw Material		
Opening Stock	**52,344.35**	62,100.24
Add: Purchased	**166,007.38**	125,739.84
	218,351.73	187,840.08
Less : Cost of Material Sold	**-**	-
	218,351.73	187,840.08
Less: Closing stock	**48,004.02**	52,344.35
	170,347.71	135,495.73

Notes to the Financial Statements as at and for the year ended 31st March 2019

31. **Changes in Inventories:**		Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Opening Inventories			
Finished Goods		**76,934.14**	73,120.16
Stock-in-Trade		**1,331.10**	1,597.19
Work -in- progress		**16,388.30**	17,352.81
Upper (Produced Raw Materials)		**14,466.57**	15,024.18
	(A)	**109,120.11**	107,094.34
Less: Closing Inventories			
Finished Goods		**80,138.22**	76,934.14
Stock-in-Trade		**448.30**	1,331.10
Work -in- progress		**17,532.00**	16,388.30
Upper (Produced Raw Materials)		**13,508.03**	14,466.57
	(B)	**111,626.55**	109,120.11
Changes in Inventories (A-B)		**(2,506.44)**	(2,025.77)

32. **Employee Benefits Expenses:**	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Salaries and Wages	**61,654.83**	53,157.53
Contribution to Provident and other Funds	**3,865.31**	3,895.66
Employee Welfare	**2,374.85**	1,744.25
Gratuity	**892.60**	614.84
	68,787.59	59,412.28

33. **Power and Fuel:**	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Power and Fuel	**10,944.88**	10,174.44
	10,944.88	10,174.44

34. **Finance Costs:**	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Interest Expenses	**13,770.56**	18,082.04
Other Borrowing Cost	**1,212.95**	1,085.43
	14,983.51	19,167.47

35. **Depreciation and Amortization Expenses:**	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Depreciation and Amortization Expenses	**15,921.42**	16,699.18
	15,921.42	16,699.18

Notes to the Financial Statements as at and for the year ended 31st March 2019

36. Other Expenses:	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Advertisement	**76.09**	53.69
AMC Charges	**70.57**	22.34
Consumption of Stores and Spares	**33,650.07**	20,001.17
Job Work	**5,230.26**	4,814.94
Repairs to Buildings	**9.55**	15.76
Repairs to Machinery	**10.80**	802.72
Other Repairs & Maintenance	**991.53**	568.05
Rates and Taxes	**963.23**	770.64
Rent	**3,204.03**	2,881.73
Insurance	**1,120.03**	436.94
Auditors' Remuneration - (a)	**250.00**	250.00
Delivery Charges	**8.98**	15.21
Freight and Forwarding Expenses (Net)	**9,890.38**	9,069.12
(Gain)/ Loss on foreign currency transactions and translation (Note 41)	**676.06**	-
Travelling and Conveyance Expenses	**2,278.69**	3,091.17
Bank Charges	**2,218.21**	1,628.89
Managerial Remuneration & Director sitting fees	**3,010.00**	3,009.00
Staff Welfare	**32.78**	105.00
Interest on late payment of CST/Tax	**135.04**	61.36
Printing and Stationery	**266.92**	265.16
Security Charges	**1,124.98**	797.04
Telephone, Telegram and Postage	**330.10**	605.52
Petrol	**741.38**	362.22
Vehicle Running and Maintenance Expenses	**433.37**	482.00
Sales Promotion Expenses	**3,258.48**	1,799.54
Commission and Brokerage	**1,275.12**	1,178.91
Professional Fees	**1,717.42**	1,434.11
Sundry Balance Written off	**(826.14)**	(83.80)
Miscellaneous Expenses	**795.46**	1,099.01
Discount Allowed (Net)	**478.61**	1,023.94
Custom Duty	**-**	865.26
Postage & Telegram	**240.05**	435.34
Donation & Subscription	**197.63**	219.88
Annual Incentive to customers	**-**	2875.68
Processing Charges	**-**	280.86
AGM Expenses	**204.77**	226.56
Allowances for Bad Debts	**1,151.27**	480.70
Listing Fees	**295.00**	-
	75,510.72	61,945.66
(a) Details of Auditors' Remuneration are as follows:		
Statutory Auditors:		
Audit Fees	**200.00**	200.00
Taxation matters	**50.00**	50.00
	250.00	250.00

Note: Rent includes rent towards rental office premises and godowns located at Falta, Special Economic Zone.

Notes to the Financial Statements as at and for the year ended 31st March 2019

37. Tax Expenses

	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Current Tax		
Current Tax for the year		-
Tax adjustments for earlier years		-
	-	-
Deferred Tax		
Deferred Tax for the year	**(200.17)**	(833.00)
	(200.17)	(833.00)
Deferred Tax on OCI	**19.20**	78.00

38. Earning per Equity Share (EPS)

	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Net Profit/ (loss) after Tax as per Statement of Profit & Loss Account	**9310.42**	(407.87)
Weighted average number of Equity shares (Numbers)	**14,697,130.00**	14,697,130.00
Basic & diluted earnings per Share (in Rs.)	**0.63**	(0.03)

39. Lease

(a) Financial Lease

The Company has not entered into any Financial Lease during the year under review.

(b) Operating Lease

The Company has not entered into cancellable operating lease arrangement for its Stores and office premises.

40. Contingent Liabilities and Commitments:

	As at 31/03/2019 (₹ in Thousands)	As at 31/03/2018 (₹ in Thousands)
Contingent Liabilities		
(a) Bank Guarantees given for WBSEB and superintending Engineering	**4,528.30**	4,528.30
(b) Income Tax Demands	**2,036.03**	1,433.51
(c) Sales Tax Demands	**3,159.11**	5,014.93
(d) Other money for which the Company is contingently liable:		
i. Export Bills discounted with bank	**-**	-
ii. Letter of credit	**15,460.39**	10,845.08

Note: The above Tax matters are lying at various appellate forums and the management is confident of succeeding in all these matters based on legal precedences and expert opinions.

Notes to the Financial Statements as at and for the year ended 31st March 2019

41. Gain or loss on foreign currency transaction and translation:	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
Loss on foreign currency transactions and translation	**2,375.06**	1,318.32
Gain on foreign currency transactions and translation	**1,943.27**	2,232.87
(Gain)/ Loss on foreign currency transactions and translation (Net)	**432.33**	(914.55)

42. Segment Reporting:

A. Primary Segment Reporting (by Business Segment):

(a) The Company has three reportable segments viz. Tyre,Rim and Wheels, Footwear and Hospital Equipments which have been identified in line with IND AS-108 on Segment Reporting, taking into account the organizational structure as well as differential risk and return of these segments. Details of products included in each segments are as under:

(b) Inter-segment transfers are based on market rates.

(c) The details of the revenue, results, assets, liabilities and other information from operations by reportable business segments are as follows:

	Year ended 31/03/2019				Year ended 31/03/2018			
	Tyre, Rim & Wheel	**Footwear**	**Hospital Equipments**	**Total**	Tyre Rim & Wheel	Footwear	Hospital Equipments	Total
	(₹ Thousands)	**(₹ Thousands)**	**(₹ Thousands)**	**(₹ Thousands)**	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
REVENUE								
Total	**321,562.55**	**69,583.60**	**112,641.16**	**503,787.31**	232,601.55	62,190.91	68,044.46	362,836.92
Inter Segment				**(142,030.80)**				(69,225.65)
Excise Duty								
External				**361,756.51**				293,611.27
RESULTS								
Segment Results	**15,940.84**	**7,460.13**	**692.79**	**24,093.76**	16,411.18	2,613.27	(1,097.86)	17,926.59
Unallocated Corporate Income				**-**				-
Unallocated corporate Expenses				**-**				-
Finance Costs				**(14,983.51)**				(19,167.47)
Tax Expenses				**200.17**				833.00
Profit for the year				**9,310.42**				(407.88)
OTHER INFORMATION								
Assets:								
Segment Assets	**273,077.27**	**152,470.62**	**51,401.68**	**476,949.57**	260,291.02	153,910.29	66,054.07	480,255.38
Unallocated Corporate Assets					-			
Total Assets				**476,949.57**				480,255.38
Liabilities:								
Segment Liabilities	**137,043.42**	**51,065.93**	**9,009.61**	**197,118.95**	149,833.33	54,127.11	8,862.92	212,823.36
Unallocated Corporate Liabilities				**9,455.10**				9,636.07
Total Liabilities				**206,574.05**				222,459.43
Capital Expenditure	**3,887.68**	**2,804.27**	**487.01**	**7,178.96**	509.00	1,083.33	530.46	2,122.79
Depreciation and Amortization	**9,154.86**	**4,635.83**	**2,130.73**	**15,921.42**	9,654.14	4,663.41	2,381.64	16,699.18

Notes to the Financial Statements as at and for the year ended 31st March 2019

B. Secondary Segment Reporting (by Geographical demarcation):

(a) The secondary segment is based on geographical demarcation i.e. India and Overseas.

(b) The Company's revenue from external customers and by geographical location are follows:

	Year ended 31/03/2019				Year ended 31/03/2018			
	India	Overseas	Export SEZ	Total	India	Overseas	SEZ	Total
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Revenue	285,124.41	64,159.78	12,472.32	361,756.51	223,315.37	60,155.08	10,140.81	293,611.26

(The above Revenue figures are inclusive of Excise Duty.)

43 Related Party Disclosures:

A. List of Related Parties:

(i). Key Managerial Personnel:

a) Managing Director — Sri Jay Singh Bardia*

b) Non Executive Directors —
i) Sri T.C.Bachhawat
ii) Sri Pradeep Kumar Singh
iii) Sri Ravi Prakash Pincha
iv) Smt Vimala Devi Bardia **

c) Chief Executive Officer — Sri P. L. Bardia ***

d) Chief Financial Officer — CA Vinay Sipani

e) Company Secretary — CS Arti Baid

* Sri Jay Singh Bardia is related to Smt Vimala Devi Bardia, Non-Executive Director and Sri P.L. Bardia, Chief Executive Officer of the Company.

** Smt Vimala Devi Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Sri P.L.Bardia, the Chief Executive Officer of the Company.

*** Sri P.L.Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Smt Vimala Devi Bardia, Non-Executive Director of the Company.

(ii). Related to Key Managerial Personnel:

a) Others —
i) Sri K.L. Bardia
ii) Hulashchand Tarachand Bardia HUF
iii) Tarachand Estates Pvt Ltd.

B. Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

i. KEY MANAGERIAL PERSONNEL	Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
(a) Remuneration to Key Managerial Personnel :		
Managing Director	**3,000.00**	3,000.00
Non Executive Directors	**10.00**	9.00
Chief Executive Officer	**2,400.00**	2,400.00
Chief Financial Officer	**1,415.20**	1,415.20
Company Secretary	**464.00**	438.00
	7,289.20	7,262.20

Notes to the Financial Statements as at and for the year ended 31st March 2019

II. OTHERS

	Year ended 31st March, 2019			Year ended 31st March, 2018		
	Sri K. L. Bardia	**Hulashchand Tarachand Bardia HUF**	**Tarachand Estate Pvt. Ltd.**	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.
	(₹ Thousands)	**(₹ Thousands)**	**(₹ Thousands)**	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Transactions held:						
Interest and Dividend taken	**-**	**360.93**	**289.80**	-	527.98	265.50
Rent given	**-**	**180.00**	**-**	-	180.00	-
Security given		**500.00**				
Loan, Advances and Deposit given	**-**	**2000.00**	**-**	-	-	-
Outstanding Balances:						
Loans, Advances and Deposits given	**-**	**4,755.35**	**3,556.98**	-	6,394.42	3,267.18
Loans, Advances and Deposits taken (inclusive of interest)	**6,468.30**	**-**	**-**	6,468.30	-	-

44. Additional information pursuant to paragraphs 5 (A) (viii) of Part II of Schedule III to the Companies Act, 2013 are follows:

A. C.I.F. value of imports by the Company (Excluding imported items purchased from SEZ):

	Year ended 31/03/2019	Year ended 31/03/2018
	(₹ in Thousands)	(₹ in Thousands)
Raw Materials & Trading Goods & Components	**33,007.03**	68,757.32
Stores and Spares	**472.63**	1,092.25
Plant & Machinery/ Capital in Work in Progress	**75.34**	383.60

B. Expenditure in foreign currency during the year:

	Year ended 31/03/2019	Year ended 31/03/2018
	(₹ in Thousands)	(₹ in Thousands)
Other matters	**157.20**	284.31

C. Earnings in Foreign Exchange:

	Year ended 31/03/2019	Year ended 31/03/2018
	(₹ in Thousands)	(₹ in Thousands)
Export of Goods on F.O.B. basis (Excluding exports to SEZ unit/EOU)	**64,159.78**	67,751.89

45. The company has reclassified/rearranged/regrouped previous year figures to conform to this year's classification, where necessary.

Notes to the Financial Statements as at and for the year ended 31st March 2019

46 Disclosure in accordance with Ind AS-19 on employee benefits expense

Gratuity and other Post-employment benefits plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/ separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the Post - retirement benefit plans

			Year ended 31/03/2019 (₹ in Thousands)	Year ended 31/03/2018 (₹ in Thousands)
I.		**Expenses recognised in the Statement of Profit & Loss**		
	1	Current sevice Cost	892.6	892.27
	2	Past Service Cost *	-	33.31
	3	Interest Cost	712.72	598.36
	4	Expected Return on Plan Assets	-	-
	5	Total	1,605.32	1,523.94
		Expenses recognised in OCI		
	6	Actuarial (Gain) / Losses	(73.83)	(261.97)
	7	Total Expenses	1,531.49	1,261.97
		Note: * Past Service Cost aries due to Increase in Gratuity Ceiling from Rs. 10,00,000/- to Rs. 20,00,000/-.		
II.		**Net Assets /Liability recognised in the Balance Sheet**		
	1	Present Value of defined Benefit Obligations	10,375.97	9,303.95
	2	Fair Value of Plan Assets	5,439.38	47.80
	3	Net Assets/ Liabilities	(4,936.59)	(9,256.15)
III		**Changes in Obligations during the year**		
	1	Present Value of Defined Benefit Obligation at the beginning of the year	9,303.95	8,310.58
	2	Current Service Cost / Plan amendments	892.6	1523.93
	3	Interest Cost	716.4	-0.62
	4	Benefits Paid	(622.12)	-316.39
	5	Actuarial (Gains) / Losses		
		Arising from changes in experience	(93.80)	159.25
		Arising from changes in demographic assumptions	-	-
		Arising from changes in financial assumptions	178.93	(420.60)
	6	Total	1,072.01	945.57
	7	Present Value of Defined Benefit Obligation at the end of the year	10,375.96	9,256.15
IV.		**Change in the Fair Value of Plan Assets during the year**		
	1	Plan assets at the beginning of the year	47.80	42.15
	2	Expected return on plan assets / Investment Income	162.64	3.65
	3	Contribution by employer	5,851.06	316.39
	4	Actual Benefits Paid	(622.12)	(314.39)
	5	Actuarial Gains / (Losses)	-	-
	6	Plan assets at the end of the year	5,439.38	47.80
	7	Actual return on Plan Assets	-	-

Notes to the Financial Statements as at and for the year ended 31st March 2019

V	**The major categories of plan assets as a percentage of the fair value of total plan assets**		
	Investments with Insurer	**100%**	100%
VI	**Actuarial Assumptions**		
	Financial Assumptions	**31.03.2019**	31.03.2018
	Discount Rate	**7.50%**	7.70%
	Expected rate of return on plan assets	**-**	-
	Demographic Assumptions		
	Mortality Rate (% of IALM 06-08)	**100%**	100%
	Normal Retirement Age	**58 years**	58 years
	Attrition Rates, based on age (% p.a. for all age)	**2.00**	2.00
VII	The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market	**5 % p.a**	5 % p.a
VIII	Contribution to Provident and Other Funds includes Rs. 38.65 lacs (2017-18 - Rs. 38.96 lacs) paid towards Defined Contribution Plans		
IX	**Maturity profile of the defined benefit obligation**		
	Weighted average duration of the defined benefit obligation	**10 years**	10 years
	Expected benefit payments for the year ending		
	Not later than 1 year	**567.66**	789.55
	Later than 1 year and not later than 5 years	**3737.48**	2907.63
	Later than 5 year and not later than 10 years	**5723.74**	5443.49
	More than 10 years	**13925.00**	13002.71
X	**Amounts for the current and previous two periods are as follows :**		
	Gratuity	**31.03.2019**	31.03.2018
	Defined Benefit Obligation	**10,375.97**	9303.95
	Plan Assets	**5,439.38**	47.80
	Surplus / (deficit)	**(4,936.59)**	(9,256.15)

XI **The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below :**

	31st March 2019		31st March 2018	
Assumptions	**Discount ratge (a)**		**Discount rate (a)**	
Sensitivity level	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
Impact on Gratuity liability	**(844.93)**	**979.42**	(762.44)	883.51
Assumptions	**Future salary increases (b)**		**Future salary increases (b)**	
Sensitivity level	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
Impact on Gratuity liability	**1,020.53**	**(893.42)**	921.79	(806.75)

	Year ended 31/03/2019	Year ended 31/03/2018
47. Fair Value measurements :	**(₹ in Thousands)**	(₹ in Thousands)
a. **Class wise fair value of the Company's financial assets :**		
Particulars	**31.03.2019**	31.03.2018
Investment in Gold	**426.61**	414.18
Sovereign Gold Bond	**99.25**	-

Notes to the Financial Statements as at and for the year ended 31st March 2019

Note i) These investments in Gold are not held for trading. Upon application of IndAS - 109 - Financial Instruments, the Company has chosen to measure the investments in Gold at FVTPL as the management believes that presenting fair value gains and loss esrelating to these investments in the standalone statement of profit and loss is a proper disclosure by the Company.

ii) The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, loans to employees, advance to manufacturing units, trade payables and other financial liabilities approximate the carrying amount largely due to short term maturity of these instruments.In relation to Trade Receivables, however, impairement loss based on historically obseved default rates has been provided for and carrying of Trade Receivables has been reduced by this amount.

b. Fair Value hiearchy

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

The categories used are as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments

- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities which are measured at fair value as at balance sheet date, the classification of fair value by category and level on inputs used is given below:

As at 31 March 2019: (Rs. '000)

Particulars	Level 1	Level 2	Level 3
i. Measured at fair value through profit or loss (FVTPL)			
Investment in Gold	**426.61**	-	-
Sovereign Gold Bond	**99.25**	-	-

As at 31 March 2018: (Rs. '000)

Particulars	Level 1	Level 2	Level 3
i. Measured at fair value through profit or loss (FVTPL)			
Investment in Gold	**414.18**	-	-
Sovereign Gold Bond	-	-	-

c. Computation of fair values

Investmentsin Gold represents long term strategic investments of the Company. For Gold, fair value is based on closing market price of these commodity as on the balance date.

d. Fair value of assets and liabilities measured at cost/amortized cost

The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, loans to employees, advance to manufacturing units, trade payables and other financial liabilities approximate the carrying amount largely due to short term maturity of these instruments. In relation to Trade Receivables, however, impairement loss based on historically obseved default rates has been provided for and carrying of Trade Receivables has been reduced by this amount. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

48 Financial Risk Management Objectives and policies

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investments and deposits. The Company also holds investments in Gold and Sovereign Gold Bond.

The Company has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company. The Board of Directors also review these risks and related risk management policy.

The market risks and credit risks are further explained below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTOCI investments, trade payables, trade receivables, etc.

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 the Company's operating activities. Such foreign currency exposures are not hedged by the Company. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

	Year Ended 31/03/2019		Year Ended 31/03/2018	
	(USD in '000)	**(₹ Thousands)**	(USD in '000)	(₹ Thousands)
In USD				
Trade Receivables	**78.6523**	**5,440.48**	84.553	5,480.92
Trade Payables	**65.392**	**4,523.22**	172.791	11,239.41
Buyers Credit	**29.57**	**2,045.26**	197.69	12,821.66

Notes to the Financial Statements as at and for the year ended 31st March 2019

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	31.03.2019 Gain /(Loss)	31.03.2018 Gain /(Loss)
INR appreciates by 5%	**56.40**	929.90
INR Depreciates by 5%	**(56.40)**	(929.90)

Commodity Price Sensivity

The Company's Investment in Gold is suspectible to market price risk arising gfrom uncertainity about future prices of Gold. The following table shows the effect on price changes in Gold Investments

Particulars	31.03.2019 **Gain /(Loss)**	31.03.2018 **Gain /(Loss)**
Gold Rate appreciates by 5%	**21.33**	19.18
Gold Depreciates by 5%	**(21.33)**	(19.18)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

A significant part of the Company's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 5 and 10 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

49 Capital Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

50 Disclsoure under MSME Act

Disclosures under the Mirco, Small and Mediaum Enterprises Development Act, 2006 are provided as under for the year 2018-19 to the extend that comany has received intimation from suppliers regarding their status under the Act.

Notes to the Financial Statements as at and for the year ended 31st March 2019

		2018-19	2017-18
a.	**Detail of Dues to Micro and Small Enterprises as Defined under MSMED Act, 2006 :**	**2018-19**	**2017-18**
	Principal and interest amount remaining unpaid		
	Principal	201.96	-
	Interest	4.9	-
b.	The amount of interest paid by the Company in terms of Section 16 of the MSMED Act. 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
c.	The amount of the payment made to micro and small suppliers beyond the appointed day druing each accounting year.	-	-
d.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
e.	The amount of interest accrued and remaining unpaid at the end of each accounting year	4.9	-
f.	The amount of 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 for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

51. Significant Accounting Judgements, Estimates & Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows:

a) Employee benefit plans

The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 46.

b) Impairment Allowance for Trade Receivables

The Company makes allowances for doubtful accounts receivable using a simplified approach which based on historically obseved default rates.

Management believes that this simplified modelclosely represents the expected credit loss modelto be applied on financial assets as per Ind AS 109.

c) Revenue recognition and customer's incentive programme

The Company usually has customer Incentive programs for its Sadhurhat Unit, engaged in manufacturing of the MCP tubeless Tyres for domestic market. This incentive is generally provided to the customers based on their sales volume generated during the said incentive period. The Company grants incentive at a certain percentage rate of the total sale made by those qualifying customers during that period.

Notes to the Financial Statements as at and for the year ended 31st March 2019

The company has made a provisional calculation of the Incentive to be made for the period based on the past trends of similar incentive programs and the same has been considered by the company while computing the Net Revenue in the books.

Refer note 27 and 28 for further details.

d) Provision for litigations and tax disputes

The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 40.

Note : Signatories to all Notes 1 to 51.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

Place : Kolkata
Dated : The 30th Day of May, 2019

VINAY SIPANI
Chief Financial Officer

ARTI BAID
Company Secretary

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.: 322020E

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No. 055782