

CHEMTECH INDUSTRIAL VALVES LIMITED
NOTES ON FINANCIAL STATEMENTS AND FOR THE YEAR ENDED 31ST MARCH 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF PREPARATION

Significant Accounting Policies

i. Basis of Preparation

Ministry of Corporate affairs notified roadmap to implement India accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after April 1, 2016.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS.

ii. Current versus Non-Current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

iii. Fair value measurement

The Company measures financial instruments, such as, Mutual funds at fair value at each balance sheet date.

iv. Use of Estimates

- a) The preparation of financial statements in accordance with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as on the date of financial statements, disclosures of contingent liabilities and the reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognized in the accounting period in which such revision takes place.
- b) These financial statements have been prepared in accordance with accounting standards prescribed under section 133 of the Companies Act, 2013(the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
- c) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule – III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current / non-current classification of assets and liabilities.

- d) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- e) The preparation of financial statements requires estimates and assumption to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period .The Difference between the actual and estimate are recognized in the period in which results are known/materialized.

II. TANGIBLE FIXED ASSETS AND DEPRECIATION

- a) Tangible Fixed Assets are stated at cost of acquisition or construction except assets which has been revalued, at its revalued amount, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Temporary constructions/alterations are charged off to Profit and Loss Account.
- b) Depreciation has been provided as under:
 - i. For assets existing on 1st April 2014 the carrying amount will be amortized over the remaining useful lives on straight line method as prescribed in the schedule II of the Companies Act, 2013.
 - ii. For the assets added after the 1st April 2014 :- On straight line method at the useful standard Lives prescribed in Schedule II to the Companies Act, 2013.
 - iii. On the revalued assets the additional charge of depreciation on account of revaluation is withdrawn from revaluation reserve and credited to the retained surplus/deficit in profit and loss.
 - iv. Deprecation on assets sold during the year is provided on pro-rata basis.

III. INTANGIBLE ASSETS AND AMORTISATION

- a) Intangible Assets are stated at acquisition of cost, net of accumulated amortization and accumulated impairment losses, if any.
- b) Intangible assets include Cost of software capitalized is amortized over a period of 5 years.

IV. IMPAIRMENT OF ASSETS

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

V. BORROWING COST

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

VI. INVENTORIES

Raw materials, components, stores and spares, and packing material are valued at lower of cost or net reliable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost of inventories is computed on a weighted-average basis.

Work-in-progress, finished goods and Stock-in-trade are valued at lower of cost or net realizable value. Cost of Finished goods and work-in-progress comprises raw material, direct labour, other direct costs and other related production overheads upto the stage of bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sales.

VII. TRANSLATION OF FOREIGN CURRENCY ITEMS

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary assets and liabilities are converted in Indian currency at the rate of exchange prevailing at the end of the year. Resultant gain or loss is recognized in the statement of profit and loss for the year.

VIII. REVENUE RECOGNITION

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Amounts disclosed as revenue are inclusive of excise duty and net of returns, rebates, Value added taxes and amounts collected on behalf of third parties.
- c) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.
- d) Dividend income on investments is accounted for when the right to receive the payment is established.

IX. RETIREMENT AND OTHER EMPLOYEE BENEFITS

(a) Defined Contribution Plan

The Company makes defined contribution to Government Employee Provident Fund, which are recognized in the Statement of Profit and Loss on accrual basis. The company has no further obligation beyond its contribution. No figurative disclosures available

(b) Defined Benefit Plan

i) The Company's liabilities under Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expenses. Obligation is measured at the present value of estimated future cash flow using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. No figurative disclosures available

ii) Leave Salary: Leave Salary for accumulated compensated absences that are expected to be availed or encashed by eligible employees within 12 months from the end of the year are treated as short term employees benefits, which is provided at the expected cost. No figurative disclosures available

X. TAXATION

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets on unabsorbed carry forward losses are recognized only upon definite virtual certainty of future taxable income is available and not otherwise.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

XI. OPERATING LEASES

As a Lessee : Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

XII. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders 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, such as bonus shares.

XIII. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

- a) Fair value measurements: When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.
- b) Useful lives of property, plant and equipment: Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.
- c) Impairment of financial assets: the impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculations based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- d) Impairment of non-financial assets: The company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and its written down to its recoverable amount.
- e) Provisions and liabilities: Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
- f) Contingencies: In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized
- g) Taxes: Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. The Company has deferred tax liability during the year.

XIV. CONTINGENT LIABILITIES AND PROVISIONS

Provision:-

provision are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent liabilities:-

Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only on 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 or a reliable estimate of the amount cannot be made.

XV. Cash and Cash Equivalents:

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank including short term margin money against bank guaranty issued.

XVI. Government Grants :

Government grants are recognized at their fair value where there is a reasonable assurance that the Grant will be received and the company will comply with all attached conditions.

Government Grants relating to purchase of property, plant and equipment are included in non- current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

However no Government Grants in the company

**As per our report of even date annexed
For Raju & Prasad
Chartered Accountants
FRN - 003475S**

**Sd/-
(Avinash. T. Jain)
Partner
Membership No.: 041689
Place : Mumbai
Date : 29/05/2019**

**Sd/-
Harsh P. Badkur
(Managing Director)
DIN: 00676715**

**Sd/-
Barkha Deshmukh
Company Secretary**

**Sd/-
Pradeep S. Badkur
(Chairman & Chief Financial Officer)
DIN: 00036822**

2. Property, Plant and Equipments and Intangible Assets

ASSETS	Land	Building	Machinery	Pattern	Office Equipment	Electric Installatio	Motor	Computer	Furniture	Computer Software	Total
Gross Carrying Amount											
At 1st April 2016	16,924,170	83,580,213	80,277,034	5,916,287	4,966,817	4,192,768	4,210,811	1,786,553	15,643,669	996,365	218,494,687
Additions	-	-	-	355,300	-	-	-	-	-	23,750	379,050
Disposals/assets Written off	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	16,924,170	83,580,213	80,277,034	6,271,587	4,966,817	4,192,768	4,210,811	1,786,553	15,643,669	1,020,115	218,873,737
Additions		-	908,124	581,800	-	-	-	-	-	-	1,489,924
Disposals/assets Written off		-	718,000	-	-	-	-	-	-	-	718,000
Balance as at 31 March 2018	16,924,170	83,580,213	80,467,158	6,853,387	4,966,817	4,192,768	4,210,811	1,786,553	15,643,669	1,020,115	219,645,661
Additions		509,220	52,000	482,500	97,647	-	-	-	-	570,000	1,711,367
Disposals/assets Written off		-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	16,924,170	84,089,433	80,519,158	7,335,887	5,064,464	4,192,768	4,210,811	1,786,553	15,643,669	1,590,115	221,357,028
Accumulated Depreciation											-
At 1st April 2016		9,567,852	19,783,825	4,774,434	3,008,143	1,117,348	2,974,399	1,601,355	4,832,683	398,546	48,058,585
Charge for the year		2,386,938	5,197,482	376,946	946,127	467,617	452,587	73,717	1,628,542	129,465	11,659,421
Adjustments for disposal		-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2017		11,954,790	24,981,307	5,151,380	3,954,270	1,584,965	3,426,986	1,675,072	6,461,225	528,011	59,718,006
Charge for the year		2,386,938	5,198,941	296,484	585,659	467,617	255,475	31,604	1,535,098	129,465	10,887,281
Adjustments for disposal		-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2018		14,341,728	30,180,248	5,447,864	4,539,929	2,052,582	3,682,461	1,706,676	7,996,323	657,476	70,605,287
Charge for the year		2,394,749	5,210,546	258,049	121,265	467,617	317,807	16,669	1,592,369	225,156	10,604,227
Adjustments for disposal		-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2019		16,736,477	35,390,794	5,705,913	4,661,194	2,520,199	4,000,268	1,723,345	9,588,692	882,632	81,209,514
Net Book Value as at 1st April 2016	16,924,170	74,012,362	60,493,209	1,141,853	1,958,674	3,075,420	1,236,412	185,198	10,810,986	597,819	170,436,102
Net Book Value as at 31st March 2017	16,924,170	71,625,423	55,295,727	1,120,207	1,012,548	2,607,803	783,824	111,482	9,182,444	492,104	159,155,731
Net Book Value as at 31st March 2018	16,924,170	69,238,485	50,286,910	1,405,523	426,888	2,140,186	528,350	79,877	7,647,346	362,639	149,040,374
Net Book Value as at 31st March 2019	16,924,170	67,352,956	45,128,364	1,629,974	403,270	1,672,569	210,543	63,208	6,054,977	707,483	140,147,514

3	Financial Assets: Investments		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Investment in Equity Shares-Unquoted (At Cost)		
	The Bharat Co-Op. Bank Ltd Shares (25 Equity Shares Rs.10 each fully paid)	252	252
	The C.K.P. Co-Op. Bank Shares (21500 Eq. Shares of Rs 25/- each fully paid)	537,500	537,500
	Total	537,752	537,752
4	Financial Assets: Trade receivables		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Trade receivables		
	Outstanding for a period Exceeding 12 months	31,157,784	18,437,274
	Total	31,157,784	18,437,274
5	Financial Assets: Loans		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Security Deposits (unsecured considered good)	337,270	362,560
	Total	337,270	362,560
6	Financial Assets: Others		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Margin money with Bank (Against Bank guarantee with maturity more than 12 months)	586,007	114,444
	Total	586,007	114,444
7	Other non-current assets		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Retention Money with clients (unsecured considered good)	21,553	1,935,299
	Total	21,553	1,935,299
8	Current Assets: Inventories		
	Particulars	As at 31st March 2019	As at 31st March 2018
	i) Raw Materials	5,299,601	3,493,734
	ii) Stock-in-process	9,928,711	7,512,617
	iii) Finished goods	16,727,769	11,715,411
	Total	31,956,081	22,721,762
9	Financial Assets: Trade receivables		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Trade receivables		
	Outstanding for a period Less than 12 months	33,445,073	45,898,880
	Total	33,445,073	45,898,880
10	Financial Assets: Cash and cash equivalents		
	Particulars	As at 31st March 2019	As at 31st March 2018
	Balance with Bank (Current Account)	654,472	1,089,030
	Cash on hand	1,607,949	1,261,928
	Fixed Deposits with Bank as margin money for Bank Guarantee	670,761	2,660,026
	Fixed Deposits with Bank (others)	1,919,374	1,839,494
	Total	4,852,556	6,850,478

11 Financial Assets: Loans

Particulars	As at 31st March 2019	As at 31st March 2018
(Unsecured considered good)		
Advances to Staff	11,100	6,264
Advances to others	603,991	83,903
Loans & Advances	-	43,150
Security Deposits	151,173	240,597
Total	766,264	373,914

12 Other current assets

Particulars	As at	As at
Prepaid Insurance	65,042	63,770
Balances with Statutory/government authorities	2,507,266	5,203,872
Total	2,572,308	5,267,642

13 Equity Share Capital**(i) Authorised Equity Share Capital**

Particulars	Number of shares	Amount(₹)
As at 1 April 2017	12,000,000	120,000,000
Increase during the year	-	-
As at 31 March 2018	12,000,000	120,000,000
Increase during the year	-	-
As at 31 March 2019	12,000,000	120,000,000
Increase during the year	-	-

(ii) Issued and Subscribed Share Capital

Particulars	Number of shares	Face Value	Equity share capital (par value)
As at 1 April 2017	11,487,333	10	114,873,330
Issued during the year	-	-	-
As at 31 March 2018	11,487,333	10	114,873,330
Issued during the year	-	-	-
As at 31 March 2019	11,487,333	10	114,873,330
Issued during the year	-	-	-

(iii) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by 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 holders of equity shares will be entitled to receive remaining assets of the company. the distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number of	%	Number of shares	%
Mr. Ignatious C. David	1,298,500	11.30%	1,298,500	11.30%
Mr. Pradeep S. Badkur	1,473,500	12.83%	1,260,763	10.98%
Mrs. Namrata P. Badkur	1,454,166	12.66%	1,454,166	12.66%
Mr. Harsh P. Badkur	1,314,166	11.44%	1,314,166	11.44%
Puneet P. Badkur	1,016,668	8.85%	1,016,668	8.85%

(v) The Company has issued 33,00,000 fully paid bonus Equity shares to existing shares holder at the ration 6:1 on 24/06/2013.

(vi) The Company has allotted 2669333 fully paid Equity shares to promoters at a premium of Rs. 5/- per share on 24/06/2013 pursuant to preferential allotment basis.

(vii) The Company has allotted 4968000 fully paid Equity shares to public at a premium of Rs. 5/- per share on 27/01/2014, pursuant to Initial Public Offer (IPO).

(viii) Details of Shares held by holding / ultimate holding company / or their subsidiaries / associates

Particulars	As at 31 March 2019	As at 31 March 2018
Shares held by holding / ultimate holding company / or their subsidiaries / associates	Nil Nil	

14 Other Equity

As on 1st April 2016

Particulars	Securities Premium	Revaluation Reserve	Retained Earnings	Total
Balance at the 1 April 2016 (IGAAP)	31,761,421	3,091,130	(79,170,090)	(44,317,539)
Ind AS Impact				
Deferred Tax for Gratuity & Loan Processing Fee	-	-	477,325	477,325
Loan Processing Fee	-	-	433,368	433,368
Balance at the 1 April 2016 (IND AS)	31,761,421	3,091,130	(78,259,397)	(43,406,846)

FY 2016-2017

Particulars	Securities Premium	Revaluation Reserve	Retained Earnings	Total
Balance at the 1 April 2016	31,761,421	3,091,130	(79,170,090)	(44,317,539)
Depreciation on Revalued assets	-	(116,257)	-	(116,257)
Transferred from Revaluation Reserve	-	-	116,257	116,257
Book Profit During the Year	-	-	3,213,133	3,213,133
Total Comprehensive income for the year	-	(116,257)	3,329,390	3,213,133
Balance at the 31 March 2017 (IGAAP)	31,761,421	2,974,873	(75,840,700)	(41,104,405)
Balance at the 31 March 2017 (IND AS) (Before Adj)	31,761,421	2,974,873	(74,930,007)	(40,193,713)

Ind AS Impact

Deferred Tax for Gratuity & Loan Processing Fee	-	-	444,976	444,976
Loan Processing Fee	-	-	44,774	44,774
Balance at the 31 March 2017 (IND AS) (After Adj)	31,761,421	2,974,873	(74,440,257)	(39,703,963)

FY 2017-2018

Particulars	Securities Premium	Revaluation Reserve	Retained Earnings	Total
Balance at the 1 April 2017	31,761,421	2,974,873	(77,896,173)	(43,159,879)
Depreciation on Revalued assets (Depreciation on Revalued Assets transfer to P& L Reserve)	-	(116,257)	-	(116,257)
Transferred from Revaluation Reserve (refer Note.12.3)	-	-	116,257	116,257
Book Profit During the Year	-	-	3,213,133	3,213,133
Total Comprehensive income for the year	-	(116,257)	3,329,390	3,213,133
Balance at the 31 March 2018 (IGAAP)	31,761,421	2,858,616	(74,566,783)	(39,946,746)
Balance at the 31 March 2018 (IND AS) (Before Adj)	31,761,421	2,858,616	(73,166,340)	(38,546,303)

Ind AS Impact

Deferred Tax for Gratuity & Loan Processing Fee	-	-	375,404	375,404
Loan Processing Fee	-	-	(46,843)	(46,843)
Balance at the 31 March 2018 (IND AS) (After Adj)	31,761,421	2,858,616	(72,837,780)	(38,217,743)

FY 2018-2019

Particulars	Securities Premium	Revaluation Reserve	Retained Earnings	Total
Balance at the 1 April 2018	31,761,421	2,858,616	(74,566,783)	(39,946,746)
Depreciation on Revalued assets (Depreciation on Revalued Assets transfer to P& L Reserve	-	-	-	-
Transferred from Revaluation Reserve (refer Note.12.3)	-	-	-	-
Book Profit During the Year	-	-	2,330,847	2,330,847
Total Comprehensive income for the year	-	-	2,330,847	2,330,847
Balance at the 31 March 2019 (IGAAP)	31,761,421	2,858,616	(72,235,935)	(37,615,898)
Balance at the 31 March 2019 (IND AS) (Before Adj)	-	-	(73,166,340)	(35,886,896)
Ind AS Impact				
Deferred Tax for Gratuity & Loan Processing Fee	-	-	335,837	335,837
Loan Processing Fee	-	-	71,693	71,693
Balance at the 31 March 2019 (IND AS) (After Adj)	-	-	(72,758,810)	(35,479,366)

15 Financial Liabilities- Borrowings

Particulars	As at 31st March 2019 (IND AS)	As at 31st March 2018 (IND AS)
Term loans (Secured)		
a. From Banks	10,046,297	22,453,704.230
b. From Financial Institutions other than Banks	76,016,335	71,597,047.163
Total	86,062,632	94,050,751

Securities and Terms of Borrowings for secured Term Loans

15.1

Term Loan from Banks

15.1.1

Term Loan from IndusInd Bank is secured by way of :

(i) Primary Security

First and exclusive charge on land & building, Plant & Machinery, all movable & immovable assets (both present & future), factory at Kondala Road, Survey Gut No. 37, Village Vadvali, Tah Wada, Dist Thane, Pin-421312 owned by the Company.

(ii) Common Collateral Security

- hypothecation on movable fixed assets of the company both present & future except other assets exclusively financed by other banks.
- Industrial Gala 12,13,14,16, and 42 at Nirmal Ashish Industrial estate, Plot of land bearingNos. 135 (pt0 & 166A/1(pl), Asangoan owned by the company.
- Industrial Gala 43, and 44 at Nirmal Ashish Industrial estate, Plot of land bearingNos. 135 (pt0 & 166A/1(pl), Asangoan owned by the Chemtech instrumentations services Pvt Ltd.
- Personnel Guarantee of Mr. Ignatious C. David, Mr.Jimmi Ignatious, Mr.Pradeep S. Badkur, Mr.Harsh Badkur, Mr. Puneet Badkur and Mrs. Namrata Badkur Director/Promoters/Shareholders of the company.
- Term Loan from IndusInd Bank amounting to 37,03,704/- (P.Y.1,11,11,111/-) repayable in 84 monthly installments of Rs. 6,17,284/- per month commencing from 01/01/2013 last installment due in September 2019 i.e. 06 installments from the close of this financial period. The rate of interest is (bank base rate+2.75%) per annum floating as at the end of the year.
- The Long Term Loan of Rs.250 Lakhs is raised by reducing Cash Credit Limit of Indusind Bank having primary security is as same as primary security for Cash credit
- The Long term Loan from IndusInd Bank amounting to 1,87,50,000/- (P.Y. 2,37,50,000/-) repayable in 60 monthly installments of Rs. 4,16,667/- per month commencing from January 2018 last installment due in January 2023 i.e. 45 installments from the close of this financial period. The rate of interest is (bank base rate+2.15%) per annum floating or fixed as at end of the year

15.1.2 Term Loan from Yes Bank is secured by way of :

The Long Term Loan is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

(a) The Long Term Loan of Rs.294 Lakhs is raised against the closure of Capri Global Capital Limited of outstanding loan amount 2,10,33,241/- in May 2018. Repayable in 180 monthly installments of Rs. 3,06,116/- per month commencing from June 2018, last installment due in May 2033 i.e. 170 installments from the close of this financial period. The rate of interest is (bank base rate+ 0.20%) per annum, subject to change in base rate as at the end of year.

15.2 Term Loan from financial institutions other than banks

15.2.1 Term Loan from INDIABULLS HOUSING FINANCE LIMITED is secured by way of hypothecation of Flat No. 606, 6th floor, A WING, DHAIVAT, BAL RAJESHWAR, KALPA NAGAR, MULUND (WEST), Mumbai 400080 owned by Mr. IGNATIOUS INASU director of the Company.

Term Loan from INDIABULLS HOUSING FINANCE LIMITED amounting to Rs. 87,34,921/- (P.Y. 31,56,520/-) repayable in 176 installments (including interest) of Rs.1,23,994/- per month commencing from 05/08/2013 last installment due in Mar 2028 i.e. 108 installments from the close of this financial period. The rate of interest is 12.1% per annum floating as at the end of the year.

15.2.2 Term Loan from Capri Global Capital Ltd. (0085) (Formerly MONEY MATTER FINANCIAL SERVICES LTD) is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

Term Loan from Capri Global Capital Ltd. (Formerly MONEY MATTER FINANCIAL SERVICES LTD) amounting to Rs.Nil/- (P.Y. 1,64,66,472/-) have been repaid by fresh borrowings made from Yes Bank.

15.2.3 Term Loan from Capri Global Capital Ltd.(5147) is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

Term Loan from Capri Global Capital Ltd. amounting to Rs.Nil (P.Y. Rs.47,33,275/-) have been repaid by fresh borrowings made from Yes Bank

15.2.4 Term Loan from India Infoline Housing Finance Ltd. is secured by way of hypothecation of Flat C-201/A and 201B 2nd Floor C-Wing Lake Castle Cliff Avenue Road Hiranadani Garden Lake Vihar Road Mumbai - 400076 owned by the directors Pradeep Badkur and Namarata Badkur.

Term Loan from India Infoline Housing Finance Ltd. amounting to Rs.4,49,83,658/- (P.Y. 4,65,74,370/-) repayable in 150 monthly installments (including interest) of Rs.5,77,581/- per month commencing from 05/01/2016 last installment due in Jun 2028 i.e. 111 installments from the close of this financial period. The rate of interest is 9.5% per annum floating as at the end of the year.

16 Financial Liabilities- Trade Payables

Particulars	As at	As at
	31st March 2019	31st March 2018
Sundry Creditors		
For Goods	2,526,415	440,492
For Expenses	10,132	1,250,516
Total	2,536,547	1,691,008

L7

Provisions

Particulars	As at	As at
	31st March 2019	31st March 2018
Provision for Gratuity	1,207,178	1,171,345
Less: Short term Provision	(322,245)	(306,593)
Total	884,933	864,752

17.1

Provision for gratuity has been made as per actuarial valuation by approved valuer and relied upon by the statutory auditors.

i) **Following are the Principal Actuarial Assumptions used as at the balance sheet date:**

Policy No.	As at	As at
	31st March 2019	31st March 2018
Valuation Method	Projected Unit	Projected Unit Credit
Mortality Rate	IALM-Mortality-	IALM-Mortality-Tables(2006-
Withdrawal Rate	1 % per annum for	1 % per annum for all ages
Discount Rate	7.79% p.a.	7.52% p.a.
Salary Escalation	6.00% p.a.	6.00% p.a.

Reconciliation of Opening & Closing balance of Present Value of Defined benefit Obligation(DBO):-

Particulars	For the year ended	For the year ended 31
	31 March 2019	March 2018
Present Value of Benefit Obligation at the Beginning of the Period	1,171,345	1,300,784
Interest Cost	92,608	97,819
Current Service Cost	180,727	233,858
(Benefit Paid Directly by the Employer)		
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	9,072	(45,240)

Actuarial (Gains)/Losses on Obligations - Due to Experience	(246,034)	(415,876)
Present Value of Benefit Obligation at the End of the Period	1,207,718	1,171,345
iii) The company has not invested in Plan Assets		
iv) Balance Sheet Recognition		
Opening Net Liability	1,171,345	1,300,784
Expense Recognized in Statement of Profit or Loss (Benefit Paid Directly by the Employer)	36,373	(129,439)
Net Liability/(Asset) Recognized in the Balance Sheet	1,207,718	1,171,345
v) Profit and Loss – Expenses Recognition		
Current Service Cost	180,727	233,858
Net Interest Cost	92,608	97,819
Actuarial (Gains)/Losses (Gains)/Losses on Curtailments And Settlements	(236,962)	(461,116)
Expenses Recognized in the Statement of Profit or Loss	36,373	(129,439)
vi) Amount recognized in current year and previous four years for Gratuity (Present Value of Benefit Obligation at the end of the Period)		
	(1,207,718)	(1,171,345)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status-Deficit	(1,207,718)	(1,171,345)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability Recognized in the Balance Sheet	(1,207,718)	(1,171,345)

18 Deferred tax liabilities (Net)

Particulars	As at	As at
	31st March 2019 (IND AS)	31st March 2018 (IND AS)
Opening Balance of Deferred Tax	10,111,799	9,214,255
On account of Dep, Revaluation Reserve, 43B items & Deferred Sales Tax	(2,256,589)	1,272,947
Deferred tax on Ind AS adjustments	(335,837)	(375,404)
Total	7,519,373	10,111,799

19 Other non-current liabilities

Particulars	As at	As at
	31st March 2019	31st March 2018
Deferred Sales Tax	105,209	361,932
Total	105,209	361,932

19.1 The Company granted certificate of entitlement for availing sales tax incentive under package Part-I of the 1993 package scheme of incentive (PSI) of Govt. of Maharashtra by way of deferment of sales Tax liability pertaining to period from 01.09.1999 to 30.04.2006 upto the maximum ceiling of Rs.37,28,000/-. The liability deferred for the period of 10 years from the year of collection of sales tax. As per the term of payment the sales Tax liability of each Financial Year is payable in five equal installments. The amount payable after 12 months from this balance sheet dates of Rs. 3,61,932/-(P.Y. Rs. 7,53,793/-) is shown as non current liability and current portion Rs.33,66,068 /- (P. Y. Rs. 29,74,207/-) is disclosed in statutory liability in **Note No.10**.

20 Financial Liabilities- Borrowings

Particulars	As at	As at
	31st March 2019	31st March 2018
Short Term Borrowings - Loans repayable on demand - Working Capital		
Indusind Bank	10,450,133	13,040,282
Total	10,450,133	13,040,282

20.1 Cash Credit from IndusInd Bank is secured primarily by way of Hypothecation of the entire current assets of the company comprising of , inter alia of stock of raw material, Work in progress, Finish goods, receivable, book debts and other current assets and with the collateral security as referred in Note 15.1 above.

21 Financial Liabilities- Trade Payables

Particulars	As at	As at
	31st March 2019	31st March 2018

Sundry Creditors		
For Goods	28,821,383	19,887,389
For Expenses	1,974,234	1,585,469
Total	30,795,617	21,472,858
22 Financial Liabilities- Other Financial Liabilities		
Particulars	As at	As at
	31st March 2019 (IND AS)	31st March 2018 (IND AS)
Current maturities of long-term debt	15,904,289	15,718,986
Interest accrued but not due on borrowings	629,543	589,357
Employee Liabilities	1,412,430	1,603,622
Provision for Directors Remuneration	141,833	150,905
Total	18,088,095	18,062,870
23 Other Current Liabilities		
Particulars	As at	As at
	31st March 2019	31st March 2018
Advance received against order	4,773,548	7,827,031
Statutory Liabilities	5,199,398	6,677,011
Other Payables	248,467	417,904
Total	10,221,413	14,921,946
23.1 Other payables includes payables for various expenses		
24 Provisions		
Particulars	As at	As at
	31st March 2019	31st March 2018
Provision for Gratuity	322,245	306,593
Income tax		
Total	322,245	306,593
25 Revenue From Operations		
Particulars	For the year ended	For the year ended 31 March
	31 March 2019	2018
i) Sale of products	156,093,382	451,121,774
Less: Excise Duty	-	(1,685,011)
Less: Rejection	140,418	
	155,952,964	449,436,763
ii) Sale of Services (net of service tax)	1,398,000	1,127,832
ii) Other Operating Revenue	9,339,349	29,918,725
Total	166,690,313	480,483,320
26 Other Income		
Particulars	For the year ended	For the year ended 31 March
	31 March 2019	2018
Discount Received	56	1,980
Dividend Income	38	38
Duty Drawback	-	10,218
Interest received	1,021,580	751,975
Liquidation Damages Received	46,304	51,129
Profit on Sale of Machinery	-	613,000
Rent Received	-	60,000
Sundry Balance Written back	977,136	-
Foreign Currency Fluctuation	-	31,082
Total	2,045,115	1,519,422
27 Cost of Materials Consumed		
Particulars	For the year ended	For the year ended 31 March
	31 March 2019	2018
Raw Material Consumed		

Opening Stock of Raw Material	3,493,734	7,023,839
Add : Purchase	51,604,688	61,753,191
Less: Excise Duty paid on purchase	-	(1,714,187)
Add : Packing Material Consumed	451,881	375,287
	55,550,304	67,438,130
Less : Rejection of Material	12,175	577,778
Less : Closing of Raw material	5,299,601	3,493,734
Total	50,238,527	63,366,617
28 Purchases of Stock-in-Trade		
Particulars	For the year ended	For the year ended 31 March
Traded Purchases	70,837,119	349,987,698
Total	70,837,119	349,987,698
29 Change in Inventories of FG & WIP		
Particulars	For the year ended	For the year ended 31 March
	31 March 2019	2018
Opening Work in progress & Finished Goods	19,228,027	16,009,442
Less: Closing Work in Progress & Finished Goods	26,656,479	19,228,027
Total	(7,428,452)	(3,218,585)
30 Employee Cost and Benefits		
Particulars	For the year ended	For the year ended 31 March
	31 March 2019	2018
Directors Remuneration	2,295,924	2,082,125
Staff Salaries, Bonus, Retrenchment, Gratuity & Leave Salary	10,430,296	11,988,085
Employers Contribution to PF	92,343	118,457
Admin Charges to PF	6,509	7,375
Staff Welfare	1,127,761	1,357,780
Total	13,952,833	15,553,822
31 Other Expenses		
Particulars	For the year ended	For the year ended 31 March
	31 March 2019	2018
Auditor's Remuneration	160,000	160,000
Job Works	4,644,881	5,265,361
Rates & Taxes	479,174	1,939,584
Liquidated Damaged paid	391,030	940,727
Power & Fuel Expenses	2,327,136	2,540,924
Professional Fees	532,410	467,705
Selling Expenses	974,549	1,457,037
Insurance Paid	161,144	260,799
Project Expenses-IPPL Rourkela	51,578	1,150,014
Rent Paid	-	-
Repair & Maintenance building	19,250	94,121
Repair & Maintenance others	450,200	405,491
Transport Expenses	2,107,911	3,009,595
Foreign Currency Fluctuation	-	-
Other Miscellaneous Expenses	3,508,132	4,527,840
	15,807,394	22,219,196
Total		
31. Prior period Expenses-Included in above		
Project Expenses-IPPL Rourkela	921,659	921,659
Gram Panchayat Tax	-	-
Total	921,659	921,659

32 Finance costs		For the year ended	For the year ended 31 March
Particulars		31 March 2019	2018
Interest Expenses		13,062,663	16,541,134
Interest on Govt. Dues		312,077	1,415,512
Other Borrowing cost*		1,274,779	1,035,706
Total		14,649,520	18,992,352

32. Other borrowing cost includes bank charges, loan processing charges and Loan foreclosure charges.

33 Earnings per share		As at	As at
Particulars		31st March 2019	31st March 2018
Profit After Tax		2,330,847	3,213,133
Weighted Average No. of Equity Shares*		11,487,333	11,487,333
EPS (basic & Diluted)		0.20	0.28

34 Contingent Liability

Particulars	As at	As at
	31st March 2019	31st March 2018
i) Counter guarantee given by Banks	10,696,343	10,696,343
ii) Central Sales Tax Dues (disputed in appeal)	4,530,181	4,530,181
iii) Income tax demand outstanding-pending rectification	34,350	34,350
iv) Investment in CKP bank shares	537,500	-
Total	15,798,374	15,260,874

34.1 With respect to the Central Sales Tax Due of Rs.45,30,181/- the company has file an appeal and based on expert legal advise and merits of the case the Company is hopeful that the outcome would in its favor. And accordingly no provision is required to be made in the accounts. However, it is not practicable to estimate the timing of cash outflow if any, in respect of the above pending the resolution of the proceedings.

34.2 In respect of Contingent Liability related to CKP bank shares , the same has been disclosed because the bank has stopped its main operations as per RBI instructions.

35 Audit Remuneration

Particulars	For the year ended	For the year
For Statutory Audit	130,000	130,000
For Tax Audit	30,000	30,000
For other matters	27,650	27,650
Total	187,650	187,650

37 Related party Transaction as per IND AS 24

a. Related party are given below

Sr.No.	Enterprise on which major Shareholders Exercises Significant Influence	Key Management Personnel	Relative to Key Management Personnel
1	Badkur Blow Plast Containers Pvt. Ltd.	Pradeep Badkur	Puneet Badkur
2	---	C.D. Ignatious	Orville Ignatious
3	---	Harsh Badkur	Jimmy Ignatious
4	---	Namrata Badkur	Jenny Ignatious
5	---	---	Trisha Badkur

b. Details of transaction are given below

Sr.No.	Nature of Transactions	For the year ended 31	For the year ended 31 March 2018
1	<u>Loan Transaction</u>	-	-
	(a) Taken During the year		

	Key Management Personnel	-	-
	Enterprises over which Significant Influence	-	-
2	<u>Director remuneration</u>		
	Key Management Personnel	2,082,125	2,082,125
		2,082,125	2,082,125
3	<u>Salary</u>		
	Relative of Key Management Personnel	1,770,646	1,770,646
		1,770,646	1,770,646
4	<u>Reimbursement of Credit card</u>		
	Key Management Personnel	888,253	888,253
	Relative of Key Management Personnel	246,072	246,072
		1,134,325	1,134,325

38 Information pursuant to provision of Schedule III of Companies Act 2013

A) Opening and Closing inventory (including WIP):

Sr.No	Products	For the year ended 31 March 2019	For the year ended 31 March 2018
i)	Casting	1,383,108	1,194,285
ii)	Plates & Rods	2,816,210	1,253,112
iii)	Welding rod & Stud nuts	463,627	479,541
iv)	WIP of Unfinished Assembled valve	9,928,711	7,512,617
v)	Others	636,656	566,796
vi)	Finished	16,727,769	11,715,411
	Total	31,956,081	22,721,762

B) The information about principal items of Raw Materials Consumed is as follows:

Sr.No.	Products	For the year ended 31 March 2019	For the year ended 31 March 2018
i)	Casting	3,508,763	3,508,763
ii)	Plates & Rods	6,019,962	6,019,962
iii)	Welding rod & Stud nuts	776,623	776,623
iv)	Unfinished valve	48,389,284	48,389,284
v)	Packing Materials	451,881	375,287
vi)	Others	6,010,884	6,010,884
	Less: Excise Duty paid on purchase	-	(1,714,187)
	Total	65,157,398	63,366,616

C) The above materials are indigenous and imports are Nil (P.Y. Nil)

D) Details of Manufactured Goods:

Sr.No.	Products	For the year ended 31 March 2019	For the year ended 31 March 2018
1	Assembled valves		
	Opening Stock	-	-
	Sales	151,673,353	98,985,520
	Closing Stock	-	-

E) Details of Traded Goods (net of tax):

Sr.No.	Products	For the year ended 31 March 2019	For the year ended 31 March 2018
1	Steel Coil/Wire Rod /Plates		
	Opening Stock	-	-
	Purchase	305,100	330,258,298
	Sales	1,500,000	330,839,379
	Closing Stock	-	-

2	Other various products		
	Opening Stock	-	-
	Purchase	3,434,519	19,274,966
	Sales	2,920,029	26,827,906
	Closing Stock	-	-

Sr.No.	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
F)	CIF value of Import Purchase Traded	-	-
G)	Expenditure in Foreign Currency		
	Expenses Incurred	-	557,139
H)	Earning in Foreign currency in FOB basis		
	Export Sales	548,825	510,911
39	i) The balance confirmation in respect of debtors, creditors, advances, loans and deposits as at 31st March 2018 have been called for and		
	ii) In the opinion of management, no item of current assets, loans and advances has a value on realization in the ordinary course of		
40	Figures of previous year are regrouped and reclassified as and when necessary.		

As per our report of even date annexed
For Raju & Prasad
Chartered Accountants
FRN - 003475S

Sd/-
(Avinash. T. Jain)
Partner
Membership No.: 041689
Place : Mumbai
Date : 29/05/2019

Sd/-
Harsh P. Badkur
(Managing Director)
DIN: 00676715

Sd/-
Barkha Deshmukh
Company Secretary

Sd/-
Pradeep S. Badkur
(Chairman & Chief Financial Officer)
DIN: 00036822