

**Notes forming part of the financial statements****1 Corporate information**

The Company is engaged in the manufacture of Steel Forgings . The plants for manufacture are located at Singampunari-Pasumpon Muthuramalingam District, Viralmalai-Pudukkottai District and Karainathangal Village-Kanchipuram District, all within the state of Tamil Nadu. The company has its Wind Farm at Panakudi Village-Tirunelveli District and at Meenakshipuram, Theni District, Kallapalayam, Paladam, Coimbatore District. The company has its Solar site at Bommakkotai, Virudhunagar District.

2 Significant accounting policies followed by the company:-**2.1 Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Sales does not include Excise Duty.

2.2 Use of estimates

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

2.3 Inventories

Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Work-in-progress and finished goods include appropriate proportion of overheads .

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

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

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortisation

Depreciation has been provided on straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 2013 and accelerated depreciation is provided, wherever necessary.

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and the residual value of the assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The expected life is based on historic experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology.

Property, Plant And Equipment are stated at Cost Less accumulated Depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the Property, Plant and Equipment are put to use. The Company depreciates Property, Plant and Equipment over their estimated useful life using Straight Line Method. The estimated useful life of assets are as follows:

Building	: 30 Years
Plant And Machinery	: 15 Years
Office Equipment	: 5 Years
Computer Equipments	: 5 Years
Furnirure And Fittings	: 10 Years
Vehicles	: 5 Years

Based on technical evaluation, the Management believes that the useful life as given above represents the period over which the Management expects to use these assets. Hence, the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II to The Companies Act, 2013. Depreciation method, useful life and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet Date is classified as Capital Advances under Other Non Current assets and the cost of assets not put to use before such date are disclosed under Capital Work in Progress. Subsequent expenditures relating to Property, Plant And Equipment are capitalised only when it is possible that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and Maintenance Costs are recognised in Net Profit in the Statement of Profit And Loss when

Note 2 Significant accounting policies (contd.)

incurred. The cost and related accumulated Depreciation are eliminated from the Financial Statements upon sale or retirement of the Asset and the resultant Gains or Losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.7 Revenue recognitionSale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales does not include excise duty.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes all expenses incurred in connection with the acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Foreign currency transactions and translationsInitial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

The Loss, if any, in the case of Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are considered/ restated at the year-end rates. However, gains if any, are not considered.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. The amount capitalised in the current year is at ₹ 26426648 (Last Year ₹ 16109811).

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts.

2.11 Investments

Long-term investments (excluding investment in properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences,

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund / Super Annuation fund, the same are covered under Group Gratuity Scheme of LIC and Super Annuation Fund with LIC.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

2.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign

**Note 2 Significant accounting policies (contd.)**

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

2.14 Segment reporting

The Company is engaged in only one segment - Manufacture of Steel Forgings

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the statement of Profit and Loss.

2.18 Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.19 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.21 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.22 Service tax / GST input credit

Service tax / GST input credit is accounted for in the books in the period in which the underlying service / GST received is accounted and when there is no uncertainty in availing / utilising the credits.

**Notes forming part of the financial statements****Note 3 Share capital**

	Particulars	As at 31 March 2018		As at 31 March 2017	
		Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
3.1	Authorised				
	Equity shares of ₹ 10 each with voting rights	15,000,000	1,500.00	15,000,000	1,500.00
3.2	Issued				
	Equity shares of ₹ 10 each with voting rights	12,072,800	1,207.28	12,072,800	1,207.28
3.3	Subscribed and fully paid up				
	Equity shares of ₹ 10 each with voting rights	12,070,400	1,207.04	12,070,400	1,207.04
(1)	Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				

Particulars	Opening Balance	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2018				
- Number of shares	12,070,400	-	-	12,070,400
- Amount ₹ in lakhs	1,207.04	-	-	1,207.04
Year ended 31 March, 2017				
- Number of shares	12,070,400	-	-	12,070,400
- Amount ₹ in lakhs	1,207.04	-	-	1,207.04

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

Class of Shares	As at 31 March 2018		As at 31 March 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Synmax Consultants and Trading Pvt Ltd	2,898,000	24.01	2,898,000	24.01
Vidyashankar Krishnan	1,360,120	11.27	1,360,120	11.27
Venkatramanan Krishnan	1,292,480	10.71	1,292,480	10.71

(3) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.

Particulars	Aggregate number of shares	
	As at 31 March 2018	As at 31 March 2017
Equity shares with voting rights	12,070,400	12,070,400
Fully paid up by way of bonus shares	-	-

(4) Details of shares pledged : NIL

**Note 4 Reserves and surplus**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31 March 2018	As at 31 March 2017
4.1 Capital reserve		
Opening balance	4.60	4.60
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	4.60	4.60
4.2 Securities premium account		
Opening balance	305.00	305.00
Closing balance	305.00	305.00
4.3 General reserve		
Opening balance	29,698.37	26,198.37
Add: Transferred from surplus in Statement of Profit and Loss	5,400.00	3,500.00
Less: Utilised / transferred during the year for:		
Loss on Subsidiary Merger	-	-
Closing balance	35,098.37	29,698.37
4.4 Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	244.71	244.24
Add: Profit for the year	6,850.73	4,342.19
Less: Interim dividend	701.43	701.43
Less: Interim dividend / Dividend Tax		
Dividends proposed to be distributed to equity shareholders ₹ 5 per share)	603.52	120.70
Tax on dividend	97.91	19.58
Transferred to: General Reserve	5,400.00	3,500.00
Closing balance	292.62	244.71
Total	35,700.59	30,252.68

Note 5 Long-term borrowings

Term Loans From Banks

Secured

18,819.83

9,849.57

Unsecured

-

-

Total

18,819.83

9,849.57

5.1 Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

	₹ in Lakhs		₹ in Lakhs	
	As at 31 March 2018		As at 31 March 2017	
	Secured	Unsecured	Secured	Unsecured
<u>Term loans from banks:</u>				
Bank Citi Bank	2,279.90		3,378.65	
DBS - Loan	841.40		1,808.95	
SBI (Formerly SBT)	5,144.07		6,486.00	
SBI	2,605.60			
HDFC	10,000.00		3,239.84	
Total - Term loans from banks	20,870.97	-	14,913.44	
Less: Amounts due within 12 Months	4,044.47		4,072.65	
Total - Term loans from banks	16,826.50		10,840.79	

5.2 Terms of Security / Repayment

All loans secured by the charge over Fixed Assets of the Company except the lands at Singampunari / Viralimalai



Particulars	₹ in Lakhs		₹ in Lakhs	
	As at 31 March 2018 Secured	Unsecured	As at 31 March 2017 Secured	Unsecured
5.3 Rate of Interest				
Citi Bank	3.62%		3.11%	
DBS	4.87%		4.87%	
SBI	4.12%		3.43%	
HDFC	2.66%		-	
5.4 Instalments Payable				
2018 - 2019	Citi Bank	DBS	HDFC	SBI
2019 - 2020	1,209.74	841.40	-	1,993.33
2020 - 2021	1,070.16	-	1,000.00	1,993.33
2021 - 2022	-	-	1,500.00	1,769.68
2022 - 2023	-	-	2,000.00	-
2023 - 2024	-	-	2,000.00	-
2024 - 2025	-	-	2,000.00	-
Total	2,279.90	841.40	10,000.00	7,749.67

* Details of long-term borrowings guaranteed by some of the directors or others: **NIL**

* For the current maturities of long-term borrowings, refer items 9.1 and 9.2 - Other current liabilities.

* There is No default in the servicing / repayment of the loans.

Note 6 Other long-term liabilities

Particulars	₹ in Lakhs	
	As at 31 March 2018	As at 31 March 2017
6.1 Trade Payables	-	-
6.2 Others		
Payables on Purchase of Fixed Assets	-	282.13
Advance from Customers	26.45	49.78
Total	26.45	331.91

Note 7 Short-term borrowings

7.1 Loans repayable on demand from Banks		
Secured	17,258.64	7,444.49
Unsecured	-	-
Total	17,258.64	7,444.49

Note: Details of security for the secured short-term borrowings:

Particulars	Nature of Security	
	Hypothecation of Inventory/ Book Debts	Rate of Interest 6.96%
Loans repayable on demand from Banks	17,258.64	7,444.49
Total - from banks	17,258.64	7,444.49
No Default in the Servicing of the facility availed.		

Note 8 Trade payables

Trade Payables - Other than Acceptances	6,442.93	2,889.68
Total	6,442.93	2,889.68

Note 9 Other current liabilities

9.1 Current maturities of long-term debt - Secured	4,044.47	4,072.65
9.2 Unpaid dividends	43.66	43.66
Total	4,088.13	4,116.31

Note : Current maturities of long-term debt (Refer Notes 5.1 and 5.4 - Long Term Borrowings for details of Security

₹ in Lakhs

Note 10 Short Term Provisions

10.1 Provision for tax (net of advance tax) (As At 31 March 2018 ₹ 1,50,000,000) (As at 31 March, 2017 ₹ 1,17,686,000)	-	-
10.2 Provision for proposed equity dividend	603.52	120.70
10.3 Provision for tax on proposed dividend	97.91	19.58
Total	701.43	140.28



Notes forming part of the financial statements

Note 11 Fixed Assets

11.1 Tangible Assets	Gross block						
	Balance as at 1 April, 2017	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2018
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
11.1.1 Land	3537.22	75.66	2.32				3610.56
11.1.2 Buildings	8427.52	1338.75					9766.27
11.1.3 Plant and Equipment	52853.96	6840.17		204.56			59898.69
11.1.4 Furniture and Fixtures	183.74	18.49					202.23
11.1.5 Vehicles	491.21	41.16	18.77				513.60
11.1.6 Office equipment	1297.76	206.87					1504.63
Total	66791.41	8521.10	21.09	204.56	0.00	0.00	75495.98
Previous year	57157.74	9953.13	11.49	-307.97	0.00	0.00	66791.41

All the Assers are Free Hold and None of them are Lease Hold or held for others use.

Note 11 Fixed Assets (contd.)

11.2 Tangible Assets	Accumulated depreciation and impairment				Net Block		
	Balance as at 1 April, 2017	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Other adjustment	Balance as at 31 March, 2018	Balance as at 31 March, 2018	Balance as at 1 April, 2017
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
11.2.1 Land	0.00				0.00	3610.56	3537.22
11.2.2 Buildings	1437.38	287.51			1724.89	8041.38	6990.14
11.2.3 Plant and Equipment	31735.36	3734.88			35470.24	24428.45	21118.60
11.2.4 Furniture and Fixtures	149.24	21.25			170.49	31.74	34.50
11.2.5 Vehicles	322.89	66.14	13.53		375.50	138.10	168.32
11.2.6 Office equipment	1152.69	90.02			1242.71	261.92	145.07
Total	34797.56	4199.80	13.53	0.00	38983.83	36512.15	31993.85
Previous year	30916.04	3893.01	11.49	0.00	34797.56	31993.85	35875.37

11.3 Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended	For the year ended
	31 March, 2018 ₹ in Lakhs	31 March, 2017 ₹ in Lakhs
Depreciation and amortisation for the year on tangible assets as per Note 12 A	4,199.80	3,893.01
Depreciation and amortisation for the year on intangible assets as per Note 12 B	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	4,199.80	3,893.01

Note 12 Non-current investments

Particulars	As at 31 March, 2018			As at 31 March, 2017		
	Quoted # ₹ in Lakhs	Unquoted # ₹ in Lakhs	Total ₹ in Lakhs	Quoted ₹ in Lakhs	Unquoted ₹ in Lakhs	Total ₹ in Lakhs
Investments (At cost):						
12.1 <u>Trade</u>	NIL	NIL	NIL	NIL	NIL	NIL
12.2 <u>Other investments</u>						
12.2.1 Investment in equity instruments - Fully Paid	14.10	416.12	430.22	14.10	3.00	17.10
Total - Other investments (12.2)	14.10	416.12	430.22	14.10	3.00	17.10
Less: Provision for diminution in value of investments			-			-
Total			430.22			17.10
Aggregate amount of quoted investments			14.10			14.10
Aggregate market value of listed and quoted investments			21.62			36.12



Particulars	As at 31 March 2018	As at 31 March 2017
Note 13 Long-term loans and advances		
13.1 Security deposits	-	-
Secured, considered good	-	-
Unsecured, considered good	297.36	331.39
Doubtful	-	-
	297.36	331.39
Less: Provision for doubtful deposits	-	-
	297.36	331.39
13.2 Advance Income Tax	-31.01	39.79
13.3 Mat Credit Available	197.62	378.81
13.4 Balances with government authorities		
Unsecured, considered good		
13.4.1 Advance Sales tax	116.38	116.38
13.4.2 DVS Industries (P) Limited	4,628.36	-
	4,744.74	116.38
Total	5,208.71	487.56
Note: Long-term loans and advances - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director		
Note 14 Other non-current assets		
14.1 Long Term Inventories (At lower of cost and net realisable value)		
14.1.1 Raw materials	192.09	122.76
14.1.2 Work-in-progress - Steel Forgings	41.35	67.16
14.1.3 Stores & Spares	-	-
14.1.4 Consumable Tools	-	-
Total	233.44	189.92
14.2 Other Assets		
14.2.1 Sundry Debtors	501.17	527.64
14.2.2 Advance to Suppliers	51.82	76.82
14.2.3 Insurance claims	-	2.17
Total	786.43	796.55
Note 15 Inventories (At lower of cost and net realisable value)		
15.1 Raw materials	4,961.52	1,799.66
15.2 Work-in-progress - Steel Forgings	6,352.87	3,565.77
15.3 Stores and spares	988.87	829.22
15.4 Consumable Tools	550.77	401.20
Total	12,854.03	6,595.85



₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31 March 2018	As at 31 March 2017
Note 16 Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment #		
Secured, considered good	-	-
Unsecured, considered good	5,656.83	1,724.47
Doubtful	-	-
	5,656.83	1,724.47
Less: Provision for doubtful trade receivables	-	-
Total	5,656.83	1,724.47
Note: Trade Receivables - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director		
Note 17 Cash and cash equivalents		
17.1 Cash on hand	2.03	2.14
17.2 Cheques, drafts on hand	-	-
17.3 Investments in Liquid funds	-	-
17.4 Balances with banks	16,405.44	13,305.06
17.4.1 In current accounts	-28.59	58.27
17.4.2 In deposit accounts (Refer Note below)	19.00	19.00
Total	16,397.88	13,384.47
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 - Cash Flow Statement is ₹ 16,397.88 Lakhs. (As at 31st March 2017 ₹ 13,384.47 Lakhs)		
Note: Balances with banks include deposits amounting to ₹ 19.00 Lakhs as at 31st March 2018 which have an original maturity of more than 12 months. (As at 31st March 2017- ₹ 19.00 Lakhs)		
Note 18 Short-term loans and advances		
18.1 Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	125.52	126.92
Doubtful	-	-
	125.52	126.92
Less: Provision for doubtful loans and advances	-	-
	125.52	126.92
18.2 Prepaid expenses - Unsecured, considered good	69.76	97.81
18.3 Balances with government authorities - Unsecured, considered good		
18.3.1 CENVAT credit receivable	729.94	1,708.41
18.3.2 GST Credit receivable	2,056.86	193.41
18.4 Others -ICD		
Secured, considered good	-	-
Unsecured, considered good	21.37	0.22
Doubtful	-	-
	21.37	0.22
Less: Provision for other doubtful loans and advances	-	-
	21.37	0.22
Total	3,003.45	2,126.77

Note: Short-term loans and advances - No amount is due from any Directors, Other Officers of the Company, Firms in which any Director is a partner, Private Companies in which any Director is a Director



₹ in Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017
Note 19 Other current assets		
19.1 Others	-	-
19.1.1 Insurance claims	7.53	10.96
Total	7.53	10.96

Note 20 Revenue from operations

₹ in Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017
20.1 Sale of products	60,091.09	46,042.66
20.2 Other operating revenues	1,970.63	1,797.02
Total	62,061.72	47,839.68
20.1.1 Sale of products comprises		
<u>Manufactured goods</u>		
Steel Forgings	60,091.09	46,042.66
Total - Sale of products	60,091.09	46,042.66
20.2.1 Other operating revenues		
Power Generated	1,970.63	1,797.02
Total - Other operating revenues	1,970.63	1,797.02

Note 21 Other income

21.1 Interest income from Bank Deposits	103.41	28.52
21.2 Dividend income: from long-term investments	1,060.64	1,080.98
21.3 Miscellaneous Income	48.02	17.02
Total	1,212.07	1,126.52

Note 22 Cost of materials consumed

Opening stock	1,922.42	1,639.12
Add: Purchases	31,788.11	19,396.38
	33,710.53	21,035.50
Less: Closing stock	5,153.61	1,922.42
Cost of material consumed	28,556.92	19,113.08

Material consumed comprises: Raw material Steel Billets

Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade

<u>Inventories at the end of the year:</u>		
Work-in-progress Forgings	6,394.22	3,632.93
<u>Inventories at the beginning of the year:</u>		
Work-in-progress Forgings	3,632.93	4,775.99
Net (increase) / decrease	-2,761.29	1,143.06

Note 24 Employee benefits expense

24.1 Salaries and wages	4,758.87	3,914.41
24.2 Managerial Remuneration	885.37	616.65
24.2 Contributions to provident and other funds	298.31	248.43
24.3 Staff Gratuity	17.14	31.30
24.4 Staff welfare expenses	568.48	475.11
Total	6,528.17	5,285.90

Note 25 Finance costs

Interest expense on borrowings	1,265.02	994.56
Total	1,265.02	994.56



₹ in Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Note 26 Other expenses				
26.1 Consumption of Stores			1,612.99	1,138.68
26.2 Consumption of Tools			1,536.57	961.18
26.3 Outside Labour			920.85	500.89
26.4 Power and fuel			5,887.64	4,435.87
26.5 Repairs and Maintenance				
26.5.1 Buildings	119.53	128.22		
26.5.2 Machinery	896.98	721.94		
26.5.3 Machinery Spares	<u>1,215.05</u>	<u>976.09</u>	2,231.56	1,826.25
26.6 Selling Expenses			818.10	578.89
26.6 Export Expenses				
26.7.1 Packing & Forwarding	761.51	535.80		
26.7.2 Freight	977.27	588.52		
26.7.3 Commission	572.49	364.79		
26.7.4 Warehousing Charges	566.02	874.20		
26.7.5 Others	<u>97.17</u>	<u>64.81</u>	2,974.46	2,428.12
26.8 Loss on fixed assets sold / scrapped / written off			3.51	-
26.9 Miscellaneous expenses			1,308.13	1,152.58
Total			17,293.81	13,022.46
Miscellaneous expenses includes payment to auditors comprising of :				
As auditors - statutory audit			13.63	16.39
For taxation matters			1.35	1.00
Reimbursement of Expenses / Service Tax			2.59	2.47
Total			17.57	19.86

Note 27 Additional information to the financial statements

₹ in Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017
27.1 Contingent liabilities and commitments (to the extent not provided for)		
27.1.1 Contingent Liabilities - Foreign Bills Discounted with Bank	665.08	562.57

Note 28 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

NIL NIL

**Note 29 Disclosure as per SEBI (LODR)**

29.1 Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties: ₹ 46.28 crores

29.2 The Directors of the Company are Directors/Partners of the following concerns:

Other Directorship		Other Committee Memberships		
Name of the Company	Position	Name of the Company	Committee	Position
Shri N. Srinivasan Anna Investments Private Ltd Coromandel Electric Co. Ltd Coromandel Sugars Ltd E.W.Stevens & Co. Private Ltd EWS Finance & Invst Ltd ICL Financial Services Ltd ICL Securities Ltd Prince Holdings (Madras) P Ltd Rupa Holdings P Ltd Thambi Investments Private Ltd The India Cements Limited	Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Vice Chairman & Managing Director	The India Cements Ltd.	Stakeholders Relationship Committee	Member
Shri V. Vaidyanathan Medical Research Foundation- Sankara Nethralaya Vision Research Foundation	Board Member Board Member			
Shri A.Gopalakrishnan Directorship in Other Companies	NIL			
Smt Kavitha Vijay CML Media Software Pvt Ltd Wolters Kluwer ELM Solutions (P) Ltd A.V.Thoumas & Co Ltd Unversal Legar	Director Director Director Parter			
Shri Vidyashankar Krishnan Association of Indian Forging Industry Synmax Consultants & Trading Private Limited Baylife Medicare Private Ltd Unique Technologies Adi Sankara Trust	Managing Committee Director Director Partner Director			
Shri Venkatramanan Krishnan Synmax Consultants & Trading Private Limited Sivasundar Private Limited Baylife Medicare Private Ltd Unique Technologies	Director Director Director Partner			

DETAILS OF PAYMENTS MADE TO RELATED PERSONS:

Advance to DVS Industries (P) Limited - Subsidiary
 Legal fees paid to Unversal Legal where Smt. Kavitha Vijay, Director is a partner

462836044
 500000



Particulars	As at 31	
	March 2018	March 2017
29.3 The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:	Receivable/ (Payable)	Receivable/ (Payable)
Receivable/ (Payable) in Foreign Currency	NIL	NIL
	For the year ended 31 March 2018	For the year ended 31 March 2017
29.4 Value of imports calculated on CIF basis		
Raw materials	-	-
Consumable Stores / Tools	51.29	41.19
Machinery Spares	0.62	5.01
Capital goods	1,020.21	953.20
29.5 Expenditure in foreign currency		
Travelling	129.99	98.96
Export Expenses	1,558.36	1,251.84
Staff Training	0.05	21.27
29.6 Details of consumption of imported and indigenous items		
	31st Mar 2018	31st Mar 2017
<u>Imported</u>	₹ in Lakhs	%
Raw materials	-	0.00%
Consumable Stores / Tools	51.29	3.48%
Machinery Spares	0.62	0.09%
	51.91	46.20
<u>Indigenous</u>		%
Raw materials	28,556.92	100.00%
Consumable Stores / Tools	3,098.27	98.37%
Machinery Spares	1,214.43	99.95%
	32,869.62	22,142.83
29.7 Earnings in foreign exchange		
Export of goods calculated on CIF basis	34,546.26	28,357.15

Note 30 Disclosures under Accounting Standards (contd.)

Particulars	As at 31	
	March 2018	March 2017
30.1 Details of government grants	Nil	Nil
30.2 Details of borrowing costs capitalised		
Borrowing costs capitalised during the year		
- as fixed assets / intangible assets / capital work-in-progress	-	-
- as inventory	-	-
30.3 - Claims against the Company not acknowledged as debts		
The Company has received claim from Commercial Taxes Department - Demanding a sum of ₹ 196.64 lakhs, on the ground that forgings falls under automobile components.		
In matters of similar nature, Sales Tax Appellate Tribunal has already deleted the demand by the department. Hence no provision is required in this regard. The Company has already paid a sum of ₹ 116.38 lakhs against the same, which is treated as advance refundable		

Note 31 Deferred Tax Liability

Tax Effect of Items constituting the same:-

on difference between book balance and tax balance of Fixed Assets	1,342.18	1,665.54
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