

## Notes on Financial Statement for the year ended on March, 2019

### Note 1. Background: -

The Company was incorporated as Ahimsa Industries Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation having CIN U25200GJ1996PLC028679 dated January 24, 1996, in Ahmedabad. The name of the Company changed to “Ahimsa Industries Private Limited” vide fresh certification of Incorporation having CIN U25200GJ1996PLC028679 dated March 06, 1996 Further, Company was converted into public limited company i.e. Ahimsa Industries Limited having CIN L25200GJ1996PLC028679 vide fresh certificate of incorporation dated May 25, 2015.

The registered office of the company is situated at 160, Devraj Industrial Park, Piplaj Pirana Road, Village Piplaj, Ahmedabad, Gujarat-382405, India.

Ahimsa Industries Limited was formed in 1996. Ahimsa Industries Limited (the “Company”) is a limited company incorporated in India under the provisions of the Companies Act 1956. The company is engaged in Manufacturing PET of preform & trading of sugar confectionary machinery, plastic processing machinery, injection moulds and textiles. The Company’s registered office and its factory is situated at Devraj Industrial Area. The Company is a Non-Small and Medium Sized Company (Non-SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013.

### Note 2. Significant Accounting Policies:

#### 1. Basis of Accounting: -

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (“Indian GAAP”), the Accounting Standards (“AS”) as specified under section 133 of The Companies Act, 2013, read with applicable rules of Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”). The financial statements are prepared on the basis of going concern under the historical cost convention using the accrual method of accounting.

#### 2. Use of Estimates: -

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

### 3. Valuation of Inventories:-

As per AS 2, the inventories are physically verified at regular intervals by the Management. Raw materials, stores and Spares are valued at cost and net of credits under scheme under CENVAT Rules, VAT Rules and GST Rules. Finished Goods and Trade Goods are valued at Cost or Market Value/Contract Price Whichever is lower. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

### 4. Cash and Cash Equivalents (for the purpose of Cash Flow Statement): -

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 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 available information.

### 6. Event Occurring After Balance Sheet Date:

As per AS 4 Events occurring after the balance sheet date are those significant events, both favorable and unfavorable, that occur between the balance sheet date and the date on which the financial statements are approved by the Board of Directors in the case of a company, and by the corresponding approving authority in the case of any other entity.

#### **These events can broadly be classified in two ways:**

- a) Those which provide further evidence of conditions that existed at the balance sheet date; and
- b) Those which are indicative of conditions that arose subsequent to the balance sheet date.

Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date.

#### **7. Revenue Recognition: -**

Revenue has been considered as per AS 9- Revenue Recognition issued by Institute of Chartered Accountants of India. AS-12 Accounting for Government Grants have also been considered for the purpose of recognition of Interest subsidy received from the State Government. During the Financial Year 2017-18, no subsidy is due or receivable from the government in form of Government Grant.

Income from sale is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer which generally coincides with dispatch of goods to customer. Sales are recorded net of- Sales Tax / VAT, GST, returns, rebates, discounts and excise duties.

Interest income is recognised on accrual basis.

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

Revenue is recognised when consideration receivable for the sale of goods, the rendering of services or from the use by others of enterprise resources is reasonably determinable. When such consideration is not determinable within reasonable limits, the recognition of revenue is postponed.

When recognition of revenue is postponed due to the effect of uncertainties, it is Considered as revenue of the period in which it is properly recognised.

#### **8. Property, Plant and Equipment & Capital Work-In-Progress:-**

Property, Plant and Equipment represents a significant proportion of the asset base of the company. The change 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 lives and the residual value of the company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end.

Property, Plant and Machinery are stated at cost less depreciation / amortisation and impairment losses, if any. The cost of Fixed Assets comprises its purchase price net of any taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying asset are capitalised as part of the cost of such asset, up to the date of acquisition / completion of construction.

Projects under which Property, Plant and Machinery are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Gains or Losses arising from derecognition of Property, Plant and Machinery are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less accumulated amortization and accumulated impairment, if any. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the Asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Machinery is provided on “Written down Value Method” over the useful lives of the assets estimated by the Management. The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013, however for certain assets the Management Estimates differs from the useful life mentioned in Schedule II. The Useful Life of Various assets are mentioned in the below mentioned Chart.

Depreciation methods, useful lives and residual values are reviewed periodically, Including at each financial year end.

Sr. No	Major Head	Assets Included	Useful Life
1.	Buildings	Office Sakar V, Office IsconElegance	60 Years
2.	Buildings	Building Factory (Kirby)	30 Years
3.	Plant & Machinery	Air Dryer, Heat Exchanger, Colourfeed Master Batch Dosing, Fuse Gear and Control	5 Years
4.	Plant & Machinery	All Types of Moulds and all Other Plant and machinery (Excluding Timing Belt)*	15 Years
5.	Plant & Machinery	Timing Belt	3 Years
6.	Furniture and Fittings	All Furniture and Fixtures	10 Years
7.	Motor Vehicle	Renault Duster, Honda city, Mercedes Benz, Innova	8 Years

7.	Motor Vehicle	Splendor, Passion Pro, Bajaj Discover	10 Years
8.	Office Equipment	Air Conditioner, EPBX, Fan, Refrigerator, Mobile, Counting Machine, Digital Camera, CC TV Camera, Finger Print Machine, Water Cooler.	5 Years
9.	Computer and Data Processing Units	Computers and Printers	3 Years
1	Laboratory Equipments	Laboratory Instruments	15 Years
11.	Electrical Installations and Equipments	Electrical Material Expense Iscon Office	10 Years

\* As per Schedule II of Companies Act, 2013, The Useful life of General Plant and Machinery is 15 Years. Company has purchased and installed Timing Belt for Plant and Machinery in factory premises, However Company is of the opinion that it will be required to replace it within 3 Years based upon past experiences.

#### 9. Foreign Currency Transactions: -

On initial recognition, all foreign currency transactions are converted and recorded at exchange rates prevailing on the date of the transaction.

As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognized in the Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Any income or expense on account of exchange difference between the date of transaction and on settlement Date or on translation is recognized in the profit and loss account as income or expense except in cases where they relate to the acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

#### 10. Government Grants: -

Grants/Subsidy is recognized until and unless it is reasonably assured to be realized and the company has complied with the conditions attached to the grant/subsidy.

Here Company has reasonable assurance that it will comply with the conditions attached to Government Grants and also the company is reasonably certain about the ultimate receipt of the Grants. Hence government grants are recorded as Income in Books of Accounts on fulfilment of criteria for recognition of Grants as per AS 12 “Accounting for Government Grants.” The schedule relating to government Grant is provided in Notes to Account No. 3.30.

A contingency related to a government grant, arising after the grant has been recognised, should be treated in accordance with Accounting Standard (AS) 4, Contingencies and Events Occurring after the Balance Sheet Date.

Government grants that become refundable should be accounted for as an extraordinary item (see Accounting Standard (AS) 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies).

## **11. Investments: -**

### **Recognition and Measurement**

Long-term investments are carried individually at cost, on disposal of investment, the difference between its cost and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

### **Presentation and disclosures**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current assets. All other investments are classified as long term investments.

Interest and Rentals on Investment from long term and current investments, Gross Income are stated and the amounts of Tax deducted at Source are disclosed separately.

## **12. Employee Benefits: -**

### **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

## **Post-Employment Benefits:**

### **a) Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement

during the period in which the employee renders the related service.

### **b) Defined Benefit Plans**

For defined benefit plans in the form of Gratuity Fund, the company is maintaining gratuity fund with Life Insurance Corporation of India, premium paid to Life Insurance Corporation of India is debited to Profit and Loss account for the respected accounting period in which they occur.

## **13. Borrowing Cost:-**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

## **14. Segment Reporting: -**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. The Company's operating businesses are organised and managed separately according to the nature of products and services provided. The table showing detailed segment reporting is provided in the **Notes no. 3.26** of financial statement.

In measuring and reporting segment revenue from transactions with other segments, inter-segment transfers are measured on the basis that the enterprise actually used to price those transfers. The pricing of inter-segment Transactions are carried at cost.

Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. In respect of Financial Services Segment, the interest expenses on borrowings are accounted as segment expenses. Expenses which relate to the Company as a whole and not allocable to segments are included under "Unallocable expenditure"

Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable income".

#### **15. Earnings Per Share: -**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Detailed working for the same is mentioned in **Note No. 3.29** in Notes to financial statement.

#### **16. Taxes on Income: -**

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates.

Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years if any.

The Company has Policy of offsetting deferred tax asset and deferred tax liabilities as it is a legally enforceable right to set off assets against liabilities representing current tax and it relates to same governing taxation laws.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

#### **17. Impairment of Assets: -**

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining Impairment in the carrying amount of fixed assets, the management has concluded that since recoverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Assets owned by the Company.

#### **18. Provisions and Contingent Liability: -**

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the Obligation. Provisions are not discounted to their present value and are determined based on the best estimate



required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### 19. Research and Development: -

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit.

## Notes on Financial Statements for the Year ended on March 31, 2019

### Note No-3.1.1 Share Capital

Particulars	As at March 31,2019		As at March 31,2018	
	Number	In ₹	Number	In ₹
<b>Equity Share Capital of ` 10/- each</b>				
Authorized Share Capital	7500000	75000000	7500000	75000000
Issued Share Capital	5473990	54739900	5473990	54739900
Subscribed and Fully Paid Up	5473990	54739900	5473990	54739900
		<b>54739900</b>		<b>54739900</b>

### Note No-3.1.2 Reconciliation of share capital

Particulars	As at March 31,2019		As at March 31,2018	
	Number	In ₹	Number	In ₹
<b>Equity Shares (Face Value `10.00)</b>				
Shares outstanding at the beginning of the year	5473990	54,739,900	5473990	54,739,900
Shares Issued during the year				-
Shares bought back during the year				
Shares outstanding at the end of the year	5473990	54,739,900	5473990	54,739,900

1. The company has only one class of shares viz. equity shares having a par value of `10/- each as above. All equity shares, in present and in future, rank pari passu with the existing equity shares of the company and each shareholder is entitled to one vote per share.

2. The company is neither a subsidiary nor a holding company of any other body corporate. Disclosures as regards the Shareholdings in or by such body-corporate, accordingly, are not applicable on the company.

3. In the Event of Liquidation of the company, the shareholders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential

amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

4. The company did not have outstanding calls unpaid by directors and officers of the company (Previous year NIL) and also did not have any amount of forfeited shares (Previous Year NIL)

### Note No 3.1.3 Shareholders holding more than 5% of Share

Particulars	As at March 31,2019		As at March 31,2018	
	Number	% of Holding	Number	% of Holding
Ashutosh Gandhi	2010000	36.72%	2010000	36.72 %
Sneha Gandhi	1573950	28.75%	1573950	28.75 %

5. The Company has not allotted any fully paid up equity shares without payment being received in cash and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date, however company has issued 31, 60,450 bonus shares as per resolution passed by Extra Ordinary General Meeting on Date 18-12-2014 by capitalization of reserves.

6. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### Note No- 3.2 - Reserves and Surplus

( In ₹)

Particulars	As at March 31,2019	As at March 31,2018
<b>Share Premium</b>		
Opening Balance	33,884,600	33,884,600
Add: During the Year		
Less: Utilized for Issue of Bonus Share		
Closing Balance	<b>33,884,600</b>	<b>33,884,600</b>
<b>General Reserve</b>		
Opening Balance	45,859,528	37,601,534
Add: Net profit/(Net loss) for the Current Year	2,145,647	8,257,994
Less: Utilized for Issue of Bonus Share		
Closing balance	<b>48,005,175</b>	<b>45,859,528</b>
<b>Total</b>	<b>81,889,775</b>	<b>79,744,128</b>

### Note No -3.3 Long Term Borrowings

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b><u>Secured Loans</u></b>		
<b><u>From Banks</u></b>		
<b>Term Loan Corporation Bank TLS No. 0004#</b>	-	1,646,326
To be paid in Equated Monthly Principal Installments of Rs. 230000.00 + Interest to be paid monthly		
<b>Term Loan Corporation Bank TLS No.16001#</b>	1,592,339	3,198,000
To be paid in Equated Monthly Principal Installments of Rs. 133250.00 + Interest to be paid monthly		
<b>Term Loan Corporation Bank TLS No.60005#</b>	2,615,475	4,272,500
To be paid in Equated Monthly Principal Installments of Rs. 1,37,500.00 + Interest to be paid monthly		
<b>Hdfc Car Loan No. 45606160#</b>	76,935	959,860
To be paid in Equated Monthly Installments of Rs. 77465.00		
<b><u>Unsecured</u></b>		
<b><u>Loans and Advances from Related Parties#9</u></b>		
Ashutosh Gandhi Loan A/c	9,396,111.00	-
Sneha Gandhi Loan A/c	2,500,000.00	-
<b>Total</b>	<b>16,180,860</b>	<b>10,076,686</b>

# 1. The Term loans from Corporation Bank is secured by way of hypothecation of entire plant & machinery, electrical installations of the Company situated at Plot no. 160, Devraj Industrial Park, Piplaj - Pirana Road, Village Piplaj, Ahmedabad 382405.

# 2. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on factory land admeasuring 4724 Sq. Yds. And building thereon at Plot No. 160, Devraj Industrial Estate, Pirana Piplaj Road, Village - Piplaj, Ahmedabad owned by company.

# 3. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on commercial property i.e. office situated at 12. 2nd floor, Sakar V, Behind Natraj Cinema, Off Ashram Road, Ahmedabad owned by company.

# 4. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on office at No. 102, 1st Floor, Iscon Elegance, Nr. Divya Bhaskar, S.G. Road, Ahmedabad owned by company.

# 5. The above Term Loan from Corporation Bank is also secured by way collateral security of

EMG/First charge on entire P&M and other movable assets of the company except vehicle financed by other banks/FIs both existing & Proposed.

# 6. The above Term Loan from Corporation Bank is also secured by way of personal guarantee of Mr. Ashutosh D Gandhi (MD) & Mrs. Sneha A Gandhi. (whole Time Director)

# 7. The above Term Loan from Corporation Bank is Secured by way of hypothecation of Roof Top Solar Power Plant and Other Molds stated in Sanction Letter

#8. The above Car Loan from HDFC Bank is secured by way of Hypothecation of Innova Crysta Car owned in the name of Ahimsa Industries Limited.

#9. Outstanding Loan from Directors are reclassified as Long Term Borrowings from Short Term Borrowings (Previous Year) as per Board Resolution passed as on 05.03.2019 in meeting of Board Of Directors.

### Note No-3.4 Short Term Borrowings

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b><u>Secured</u></b>		
Cash Credit facility from Corporation Bank A/c No. 065800401120001*	58,523,513	39,316,264
<b><u>Unsecured</u></b>		
<b><u>Loans and Advances from Related Parties**</u></b>		
Ashutosh Gandhi Loan A/c	-	10,030,000
Sneha Gandhi Loan A/c	-	2,500,000
<b>Total</b>	<b>58,523,513</b>	<b>51,846,264</b>

\*The Cash Credit Loan with Corporation Bank is secured by way of first charge by way of hypothecation of Inventory & books debts and other current assets both present & future, of the company

\*\*Outstanding Loan from Directors are reclassified as Long Tern Borrowings from Short Term Borrowings (Previous Year) as per Board Resolution passed as on 05.03.2019 in meeting of Board Of Directors.

### Note No-3.5 Trade Payables

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b><u>Micro and Small Enterprise*</u></b>		
Principal Amount due and remaining unpaid	-	-
Interest due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further remaining due and payable in succeeding year	-	-

<b>Other than Micro and Small Enterprise</b>	124,374,437	220,797,654
<b>Total</b>	<b>124,374,437</b>	<b>220,797,654</b>

\*The Company has initiated the process of identification of suppliers registered under Micro and Small Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received.

Balances of Trade Payable are subject to Confirmations.

### Note No-3.6 Other Current Liabilities

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b>Other Payables</b>		
<b>CURRENT MATURITIES OF LONG TERM BORROWING</b>		
2). Term Loan Corporation Bank TLS No. 0001#	-	5,965,922
To be paid in Equated Quarterly Principal Installments of Rs. 1990000.00 + Interest to be paid monthly		
3). Term Loan Corporation Bank TLS No. 0004#	2,060,130	2,760,000
To be paid in Equated Monthly Principal Installments of Rs. 230000.00 + Interest to be paid monthly		
4). Term Loan Corporation Bank TLS No. 16001#	1,599,000	1,599,000
To be paid in Equated Monthly Principal Installments of Rs. 133250.00 + Interest to be paid monthly		
5). Term Loan Corporation Bank TLS No. 60005#	1,650,000	1,650,000
To be paid in Equated Monthly Principal Installments of Rs. 1,37,500.00 + Interest to be paid monthly		
<b>Hdfc Car Loan No. 45606160#</b>	882,926	812,733
To be paid in Equated Monthly Installments of Rs. 77465.00		
Deposit for Rent***	438,000	75,000
Advance received from Customers	2,162,959	63,920,458
Outstanding Expense	41,791	25,015
Deposit from Debtor for compliance of "C" Form*	190,134	596,064
Deposit for Mould**	2,000,000	1,000,000
<b>Duties and Taxes</b>		
CST Payable	723,155	-
GST Payable	375,112	594,501

Professional tax Payable	3,550	3,960
TDS Payable	142,458	95,548
<b>Total</b>	<b>12,269,215</b>	<b>79,098,201</b>

\* As per CST law in case of Inter State Sales, purchaser can request Seller to charge only 2% CST instead of charging full Tax, However Seller can charge lower rate of 2% CST instead of full Tax only if purchaser provides him with "C Form". However many times C Form are received at later stage, Hence Company being Seller has practice of taking deferential Tax amount as deposit i.e. (Total Tax Amount less CST Amount). When Purchaser gives " C Form" to Company, at that time Company gives back the Deposit amount to purchaser.

\*\* Deposit for Mould is held by the Company as Security Deposit as per Contract with Customer.

\*\*\* Iscon Office has been let out from October 2018 with a security deposit of Rs 3,63,000.00  
# Collateral Security are same as of Long Term Borrowings mentioned in Note No. 3.3

### Note No-3.7 Short Term Provision

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b>Others</b>		
Leave Encashment Payable	329,446	383,402
Remuneration Payable	258,880	293,080
Salary Payable	409,171	378,519
Provision for Audit Fees	99,000	49,500
Provision for Income Tax	-	2,900,857
Provision for Expense	31,346	36,849
ESIC Payable	9,542	12,248
Provident Fund Payable	79,420	89,138
<b>Total</b>	<b>1,216,805</b>	<b>4,143,593</b>

### NOTE NO-3.9 Long term Loans and Advances

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b>Unsecured Considered Goods</b>		
AUDA- Development Charge Deposit	9,186	9,186
AUDA- Development Charge Deposit Land	3,062	3,062
AUDA- Tree Plantation Permission Deposit	22,965	22,965
BSNL - Security Deposit	2,277	-
IRCTC- Earnest Money Deposit (Tender)*	1,085,000	1,585,000
The Abad Electric Co. Ltd.- Sakar	540	540
Torrent Power- Factory deposit	2,096,579	2,096,579
Torrent Power- Iscon Elegance Deposit	8,400	8,400
Vodafone Essar Gujarat Limited	1,000	1,000
Wealthfirst Portfolio Mangers Ltd Deposit	3,000	3,000
<b>Balances With Government Authorities</b>		
Excise Receivable**	307,206	307,206
Income Tax Refund	838,181	248,547
VAT Security Deposit- Maharashtra	25,000	25,000
Ventura Securitized Deposit	3,000	3,000
GST	2,075,219	1,886,259

<b>Total</b>	<b>6,480,615</b>	<b>6,199,744</b>
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\* In order to fulfill requirement of IRCTC Tender, company has deposited Rs. 10,85,000.00 as an Tender Deposit Fees

\*\* This amount of Excise pertains to Credit Eligible in TRANS-1 under GST Regime. However, Due to technical error of GST Portal, the credit is not yet reflected in Electronic Credit Ledger.

#### NOTE N0-3.10 Inventories

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
Finished Stock**	43,385,969	41,500,514
Raw Material*	23,928,128	29,633,470
Trading Goods	5,861,162	4,901,570
<b>Total</b>	<b>73,175,259</b>	<b>76,035,554</b>

\* Raw Material has been valued on Cost basis.

\*\* Finished Goods has been valued on Cost or NRV whichever is lower.

#### NOTE N0-3.11 Trade Receivables

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
Outstanding for More than 6 months*	100,700,685	165,087,106
Outstanding for Less Than 6 months*	59,951,872	136,180,922
<b>Total</b>	<b>160,652,557</b>	<b>301,268,028</b>

\*Balances of Trade Receivables are subject to confirmation

#### NOTE N0-3.12 Cash and Cash Equivalents

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
<b>Balances with banks in Current Account</b>		
Corporation Bank Current A/c No.340	47,796	40,968
Corporation Bank Current A/c No.4096	-	103,696
Corp. Bank - EEFC USD A/c	2,991,068	-
HDFC Plus A/c No. 1244	224,379	1,006,834
SBI Duty draw back A/c	343	343
HDFC Bank- 4345 Mumbai	83,818	231,885
<b>Cash on hand</b>		
Cash on hand factory	4,217,401	2,083,174
<b>Bank Deposit with more than 12 months maturity</b>		
FDR A/c No. KCC 01111349#a	1,500,000	1,500,000
FDR A/c No. KCC 01/151155	-	540,000
FDR A/c No. 130092#b	1,810,000	1,810,000
<b>Other Bank Deposits</b>		
Fixed Deposit in Corp Bank - 530101343119713	-	2,075,000
Fixed Deposit in Corp Bank -53010343256883	-	2,075,000
<b>Total</b>	<b>10,874,805</b>	<b>11,466,900</b>

#a This fixed deposit is placed as security deposit with Customs Authorities for import of first machinery without payment of Custom Duty under EPCG scheme. Export obligation under this for this machine is already fulfilled.

#b This fixed deposit is placed as security deposit with Customs Authorities for import of second machinery without payment of Custom Duty under EPCG scheme.

### NOTE NO -3.13 Short Term Loans and Advances

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
Staff Loan	50,180	77,501
<b>Total</b>	<b>50,180</b>	<b>77,501</b>

### NOTE NO -3.14 Other Current Assets

In ₹

Particulars	As at March 31,2019	As at March 31, 2018
Expenses Paid In Advance	432,951	445,424
Accrued Interest on FD- Corp. Bank	2,350,283	2,038,255
Accrued Interest on other (Torrent)	117,764	127,367
CST Receivable	20,697	20,697
Focus Market Scheme License Duty Drawback*	496,537	176,828
Godown Deposit	500,000	500,000
Jio Digital Life- Deposit	1,500	1,500
MEIS License**	688,798	-
<b>Total</b>	<b>4,608,530</b>	<b>3,310,072</b>

\* Focus Market Scheme is an Incentive Scheme from which Rs. 4,96,537.00 is receivable as on Balance Sheet Date

\*\* MEIS is an Incentive Scheme from which Rs. 6,88,798.00 is receivable as on Balance Sheet Date.



## Note No. 3.8 Depreciation Chart

In `

Particulars	Gross Block			Depreciation / Amortization			Net Block			
	As at April 1, 2018	Addition during the year	Ded/Adj during the year	As at March 31, 2019	Upto March 31, 2018	For the year	Ded/Adj during the year	Effect on Depn as per Co. Act, 2013	As at March 31, 2019	As at March 31, 2018
<b>TANGIBLE ASSETS</b>										
Buildings	28,038,325	798,640	-	28,836,965	11,437,796	1,387,737	-	-	16,011,432	16,600,529
Plant and Machinery	157,536,999	5,238,613	-	162,775,612	92,548,454	12,820,973	-	-	57,406,185	64,988,545
Furniture and Fittings	6,542,198	297,327	-	6,839,525	4,636,615	534,206	-	-	1,668,704	1,905,583
Motor Vehicles	9,311,756	-	-	9,311,756	6,987,199	681,440	-	-	1,663,117	2,344,557
Office Equipments	1,104,900	224,915	-	1,329,815	1,001,505	71,469	-	-	256,841	103,395
Computers and Data Processing Units	505,656	-	-	505,656	436,529	34,159	-	-	34,968	69,127
Laboratory Equipment	103,840	-	-	103,840	60,974	7,831	-	-	35,035	42,866
Electrical Installation and Equipment	328,979	-	-	328,979	266,697	17,902	-	-	44,380	62,282
Land - Factory	12,702,900	-	-	12,702,900	-	-	-	-	12,702,900	12,702,900
<b>Total :</b>	<b>216,175,553</b>	<b>6,559,495</b>	-	<b>222,735,048</b>	<b>117,355,769</b>	<b>15,555,717</b>	-	-	<b>89,823,562</b>	<b>98,819,784</b>

Fixed Assets are stated at Actual Cost. Company has a policy of deducting depreciation from Fixed Assets. Actual cost is inclusive of freights, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working condition for its intended use but net of CENVAT.

\* Capital Work-in- Progress is capitalized in previous year and the same has been put to use in Current Financial Year.

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining impairment in the carrying amount of fixed assets, the management has concluded that since recoverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Assets owned by the Company.

**NOTE NO :-3.15 Revenue from Operations**

In ₹

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Sale Of Products</b>		
Export Sales	47,154,760	7,304,257
Sales	328,186,743	950,053,916
<b>Other Operating Revenues</b>		
Transportation Income on Outward Supply	3,027,658	859,153
<b>Total</b>	<b>378,369,161</b>	<b>958,217,326</b>

**NOTE NO :-3.16 Other Income**

In ₹

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Interest Income</b>		
Interest on Fixed Deposit with Corporation Bank	664,198	710,506
Interest on Security Deposit with Torrent	130,849	141,519
Discount Received	6,518	1,942
Duty Drawback*	481,970	70,909
Focus Market Scheme Incentives*	1,212,546	1,216,681
Foreign Exchange Gain	142,783	192,242
Rent Income	1,022,249	264,000
Written Off Net Credit Balance	9,609	217,212
<b>Total</b>	<b>3,670,721</b>	<b>2,815,011</b>

\*Duty Drawback and Focus Market Scheme Incentives are recorded on Due Basis.

**NOTE NO :-3.17 Cost of Materials Consumed**

In ₹

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Manufacturing Goods</b>		
Opening Stock of Raw Material	29,633,470	14,755,850
<b>Add:</b>		
Raw Material Imported	14,509,748	81,832,200
Raw Material Domestic	202,868,751	98,472,383
<b>Less</b>		
Closing Stock Raw Material	(23,928,128)	(29,633,470)
<b>Job Work Charges</b>	7,804,213	7,266,411
<b>Total</b>	<b>230,888,054</b>	<b>172,693,373</b>

**NOTE NO :-3.18 Purchase Stock-in-Trade**

In ₹

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

Trading Materials Imported	-	70,000
Trading Materials Purchased	87,379,097	710,184,824
<b>Total</b>	<b>87,379,097</b>	<b>710,254,824</b>

**NOTE NO :-3.19 Change In Inventories**

In ₹

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Finished Goods</b>		
Stock at the end of the year	(43,385,969)	(41,500,514)
Less: Stock at the beginning at the year	41,500,514	35,796,984
<b>Change in Inventories of Finished Goods</b>	<b>(1,885,455)</b>	<b>(5,703,530)</b>
<b>Trade Goods</b>		
Opening Stock of Trading Goods	4,901,570	2,157,084
Less: Closing Stock of Trading Goods	(5,861,162)	(4,901,570)
<b>Change in Inventories of Finished Goods</b>	<b>(959,592)</b>	<b>(2,744,486)</b>
<b>Total</b>	<b>(2,845,047)</b>	<b>(8,448,016)</b>

**NOTE NO :-3.20 Employee Benefit Expenses**

In ₹

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Salary and Wages</b>		
Salary, Wages and Allowances	86,80,488	9,569,421
Bonus	733,866	798,874
Leave Encashment	350,468	383,402
<b>Contribution to Provident Fund &amp; ESIC</b>		
Provident Fund	506,657	584,190
ESIC	91,466	124,513
<b>Other Expenses</b>		
Labour Welfare Contribution	468	588
Gratuity	702,529	362,188
<b>Total</b>	<b>11,065,942</b>	<b>11,823,176</b>

In ₹

**NOTE NO :-3.21 Finance Costs**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31st, 2018</b>
<b><u>Interest Expenses</u></b>		
Interest on Cash Credit	4,834,313	3,993,614
Interest on Car Loan	116,847	163,998
Interest on Overdraft A/C	327,209	78,551
Interest on Term Loan-2 Corp. Bank	297,022	1,118,023
Interest on Term Loan- Corp. Bank	-	37,666
Interest on Term Loan- TLS 140004	334,812	589,854
Interest on Term Loan- TLS4 1600001	405,055	578,793
Interest on Term Loan- TLS 5 160005	512,620	658,340
<b><u>Bank Charges</u></b>	316,955	673,066
<b><u>Processing Fees</u></b>	350,000	295,000
<b>Total</b>	<b>7,494,833</b>	<b>8,186,906</b>

**NOTE NO :-3.22 Other Expenses**

In ₹

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31st, 2018</b>
<b><u>Payment To Auditors</u></b>		
<b><u>As Auditor</u></b>		
Audit Fees	110,000	115,500
<b><u>Prior Period Items</u></b>		
Prior Period Expense	27,991	15,829
<b><u>Power &amp; Fuel</u></b>		
Electricity Expense	12,135,976	12,183,297
Fuel Expense	311,108	267,402
<b><u>Rent Expense</u></b>		
Godown Rent	1,200,000	1,200,000
<b><u>Repairs and Maintenance</u></b>		
Electrical Expenses	201,599	123,325
Repair and Maintenance (P & M)	1,197,917	471,175
Stores & Spares	537,556	1,189,450
Computer Expense	6,429	4,811
Vehicle Repairs and Maintenance	296,797	113,342
<b><u>Insurance</u></b>		
Insurance Expenses	316,394	312,664

**Rates and taxes**

Central Sales Tax		309,043
Custom Duty	1,050,366	4,618,984
Excise	-	265,744
Municipal Tax	234,633	361,961
Professional Tax	2,400	2,400
Stamp Duty	66,900	-
Service Tax	-	432,270
Value Added Tax Expense	-	12,656

**Miscellaneous Expenses**

Accounting Charges	199,200	20,588
Advance Licence Fees	-	47,023
Advertisement Expense	112,162	195,856
Agency Fees- Travel Agent	-	1,411
Cleaning Expense	1,720	28,979
Clearing, Forwarding and Transportation	6,190,933	6,399,361
Commission Expenses	1,437,500	1,713,806
Consultancy Fees	-	5,000
Conveyance Expense	4,659	30,808
Courier Charges	79,163	81,725
Export Expense	103,167	199,357
Factory Expense	183,262	286,547
Food Licence Fees	2,001	1,999
GPCB CCA Fees- Reapply	13,723	5,750
GPCB NOC Application Fees	42,750	-
Health License Fee	10,050	10,000
Internet Charges	16,234	34,401
IPO Professional Fees Expense*	74,500	76,376
IRCTC Tender Fees	-	1,575
Kasar VataV	145,788	69,492
Land Revenue	3,619	4,252
Legal Expense	164,300	44,000
Maintenance Fees	148,280	321,081
Market Maker Charges	200,000	-
Membership Fees	31,554	9,541
Miscellaneous Expenses	31,977	67,958
Mobile, Telephone and Internet Expense	109,185	152,364
News paper and Magazine Expense	9,888	11,348
Office Expenses	35,726	14,221
Packing Expense	64,100	379,879
Printing & Stationery	63,776	66,877
Professional Fees	993,869	1,159,148
Reimbursement of Expense	-	31,300
ROC Fess	6,113	7,550
Sales Promotion Expense	124,092	-
Tally Software Charges	14,400	18,000
Tea Coffee and Refreshment	140,848	178,266
Travelling Expense	473,355	618,371
Water Bottle Expense	23,008	24,434
Web Hosting Expense	27,194	25,649

**Total****28,978,163****34,344,144**

\* IPO Professional Fees relates to Professional Charges paid by the company for listed on SME Platform of NSE

### NOTE NO :-3.23 Interest & Penalty

In ₹

Particulars	As at March 31, 2019	As at March 31st, 2018
Interest on Custom Duty	-	1,684
Interest on CST	277,492	-
Interest on Excise	-	45,800
Interest on GST	33,897	7,590
Interest on Professional Tax	259	-
Interest on Service Tax	-	100,677
Interest on TDS	5,533	990
Interest on VAT	-	223,838
Late Fees GST	2,970	550
Late Filing Fees - Custom Duty	-	5,000
Penalty on Excise	-	39,255
Penalty of Service Tax	-	51,933
Penalty of VAT/CST	39,734	62,162
<b>Total</b>	<b>359,885</b>	<b>539,479</b>

### 3.24 Retirement Benefits:-

Disclosure Requirement as per AS-15 (Revised 2005) "Employee Benefits" notified under section 133 of the Companies Act, 2013

- a) Defined Contribution Plan (Provident Fund) included in Employee Benefit Expenses during Current Year is ` 4,74,780.00 (Previous Year i.e. F.Y. 2017-18 ` 5,41,658.00).
- b) Defined Benefit Plan: -

Ahimsa Industries Limited has defined benefit gratuity plan.

The company has created a gratuity fund which is managed by the Life Insurance Corporation of India. The premium paid for the gratuity is treated as deductible expense for the company and is not treated as perks in the hands of the employees. The amount paid by the Company for the Gratuity fund to LIC is mentioned in the below mentioned table: -

Year	Amount (in `)
F.Y. 2017-18	3,62,188.00
F.Y. 2018-19	7,02,529.00

### 3.25 Management Remuneration:-

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014) has been provided in the below mentioned table: -

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD	WTD	
1.	Gross Salary	24,66,750.00	13,44,500.00	38,11,250.00
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.			
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961			
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
5.	Any other Benefits	0	0	0
	Total	24,66,750.00	13,44,500.00	38,11,250.00

#### B. Remuneration to key managerial personnel other than MD/ Manager/ WTD:

Sr. No.	Particulars of Remuneration	Name of Managerial Person other than MD/WTD/Manager			Total Amount
		CEO	CFO	CS	
1.	Gross Salary	10,09,423.00	3,76,880.00	1,78,736.00	15,65,039.00
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.	0	0	0	0
	b) Value of perquisites	0	0	0	0

	u/s 17 (2) of Income Tax Act,1961				
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2.	Stock option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
5.	Any other Benefits	0	0	0	0
	Total	10,09,423.00	3,76,880.00	1,78,736.00	15,65,039.00

### 3.26 Segment Reporting

#### **Information about Primary (Business) Segment:**

The Company operates in business segment of "PET/Preform/Cap/Machine/Die", "Textiles" and "Export Trading" which are considered as different segment as envisaged in Accounting Standard (AS) 17"Segment Reporting "Segment Reporting of the company based on Product is described in the below mentioned table: -

Particulars	PET/Preform/Cap/Machinery/DIE	Textiles	Export Trading	Unallocated	Total
<b>Revenue</b>					
Revenue from Operations	29,02,53,028.98	5,77,06,277.40	3,04,09,854.39	-	37,83,69,160.77
Other Income	-	-	-	-	-
Segment Results before Depreciation	1,60,09,786.31	49,28,237.79	63,37,661.80	-	2,72,75,685.90
Depreciation	1,49,20,662.61	4,15,890.14	2,19,164.35	-	1,55,55,717.10
Segments results after depreciation	10,89,123.70	45,12,347.64	61,18,497.45	-	1,17,19,968.80
Unallocable income net of Expenses	-	-	-	(85,56,730.77)	(85,56,730.77)
Profit before Tax	-	-	-	-	31,63,238.03
Less: Current Tax	-	-	-	-	(12,77,744.00)
Add: Deferred Tax	-	-	-	-	2,60,152.91
Profit after Tax	-	-	-	-	21,45,646.94
<b>Other Information as at 31/03/2018</b>					
Segment Assets	22,59,08,880.71	10,65,85,706.75	25,99,406.34	1,04,26,384.90	34,55,20,378.70



Assets to be eliminated (Income Tax Asset)	-	-	-	(43,67,177.90)	(43,67,177.90)
<b>Total Assets</b>	22,59,08,880.71	10,65,85,706.75	25,99,406.34	60,59,207.00	34,11,53,200.80
<b>Segment Liabilities</b>	3,99,76,539.46	8,75,44,734.08	35,000.00	8,13,34,,428.36	20,88,90,701.90
Liabilities to be eliminated (Income Tax Liabilities)	-	-	-	-	-
<b>Total Liabilities</b>	3,99,76,539.46	8,75,44,734.08	35,000.00	8,13,34,,428.36	20,88,90,701.90

### 3.27 Related Party Disclosure (AS 18):-

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the below mentioned table: -

Nature of Transaction	Period	
	2018-19	2017-18
<b>1. Mr. Ashutosh D. Gandhi (MD)</b>		
Loan Taken	93,96,911.00	1,00,30,000.00
Remuneration (Gross Paid)	24,66,750.00	24,66,750.00
Rent Paid	600,000.00	600,000.00
<b>2. Mrs. Sneha A. Gandhi (WTD)</b>		
Loan Taken	25,00,000.00	25,00,000.00
Remuneration(Gross Paid)	13,44,500.00	16,44,500.00
Rent Paid	600,000.00	600,000.00
<b>3. Mr. Sanjay Bholashanker Agrawal(CEO)</b>		
Remuneration(Gross Paid)	10,09,423.00	10,23,823.00
<b>4. Mr. Shrenikbhai Madhukarbhai Khatwala (CFO)</b>		
Remuneration(Gross Paid)	3,76,880.00	3,79,081.00
<b>5. Saloni A. Gandhi- Daughter of MD</b>		
Remuneration(Gross Paid)	6,47,000.00	3,23,946.00
<b>6. Chetana S. Khatwala- Wife of CFO</b>		
Remuneration(Gross Paid)	2,93,498.00	2,92,818.00
<b>7. Priti S. Agrawal- Wife of CEO</b>		
Remuneration(Gross Paid)	7,58,816.00	7,59,086.00
<b>8. Poonam P Panchal (CS) (Resignation as on 13<sup>th</sup> November 2017)</b>		
Remuneration(Gross Paid)	-	1,30,009.00
<b>9. Falak R Parikh (CS)</b>		

<b>(Resignation as on 15<sup>th</sup> April 2019)</b>		
Remuneration (Gross Paid)	1,78,736.00	59,387.00

### 3.28 Accounting for Taxes on Income (AS 22) Deferred Tax liability/Asset in view of Accounting Standard – 22:-

“Accounting for Taxes on Income” as at the end of the year/period is reported in the below mentioned table: -

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred tax asset	32,68,844.00	23,91,685.00
Tax effect of items constituting deferred tax liability	-	-
On expenditure deferred in the books but allowable for tax purposes	-	-
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	-	-
Others (DTA reversed during the year)*	(5,18,111.00)	-
Provision for compensated absences, gratuity and other employee benefits	-	-
Provision for doubtful debts / advances	-	-
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	91,653.00	-
On difference between depreciation as per books and as per tax	9,64,037.00	12,06,868.00
Unabsorbed depreciation carried forward	-	-
Brought forward business losses	-	-
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	-	-
Others - Preliminary Expenses	(2,77,426.00)	(3,29,709.00)
Tax effect of items constituting deferred tax assets	-	-
<b>Net deferred tax asset</b>	<b>35,28,997.00</b>	<b>32,68,844.00</b>

### 3.29 Earnings per Share (AS 20):-

The Calculation of Weighted Average Number of Equity Shares as per (AS) 20 is described below: -

Particulars	Current Year			Previous year		
	No. Of Shares outstanding	No. Of Months outstanding	Weighted average number of Shares	No. Of Shares Outstanding	No. Of Months outstanding	Weighted average number of Shares
Number of Shares outstanding at the Beginning of the year	54,73,990	12	54,73,990	54,73,990	12	54,73,990
<b>Shares issued during the year: -</b>	-	-	-	-	-	-
By way of Bonus Issue	-	-	-	-	-	-
Other than bonus Issue	-	-	-	-	-	-
Total Shares outstanding at the end of the year	54,73,990	-	54,73,990	54,73,990	-	54,73,990

The following reflects the profit and share data used in the Basic and Diluted EPS computation: -

	Year ended March 31, 2019	Year ended March 31, 2018
Net Profit as per Profit and Loss	21,45,647.00	82,57,991.00
Weighted Average Number of Equity Shares	54,73,990	54,73,990
Nominal Value per Share	10.00	10.00
Basic and Diluted Earnings Per Share	0.39	1.51

### 3.30 Government Grants:-

Government Grants are recorded in the books as per AS 12. Total Government Grants recorded in the books of accounts are mentioned in the table attached below: -

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	₹	₹
Details of government grants		
- Duty drawback (recognised under Other operating revenues)	4,81,970.00	70,909.00
- Other incentives (specify nature) #	12,12,546.00	12,16,681.00
The Company has received certain equipments and facilities free of cost carrying on research and development. These assets are required to be returned on completion of the specified activity.	NIL	NIL

#The other incentives includes incentives under Focus Market Scheme and MEIS which can be utilized as cenvat credit in excise payment and gst payment.

### 3.31 Duty Drawback:-

Duty Drawback, which is received, and receivable for F.Y. 2018-19 are recorded. Duty Drawback received during the Financial Year 2018-19 is ₹ 4,81,970.00

### 3.32 Preliminary Expenses:-

Preliminary Expenses for the financial year 2015-16 relates to IPO Expenses under the companies Act 2013 they have been expensed out in that particular financial year.

### 3.33 Prior Period Expenses:-

All identifiable items of Income and Expenditure pertaining to prior period are accounted as "Prior Period Items". "Exceptional items" are accounted depending on the nature of transaction.

### 3.34 GST:-

While valuing the inventories of final products, the cost of inputs consumed is taken at net as Net of Inputs i.e. the cost as reduced by the GST Credit availed against the GST Payable.

The balance under CENVAT standing in the Books of Accounts at the year end is due to technical error of GST Portal. The CENVAT is carried forward under GST Regime but the same is not yet reflected in Electronic Credit Ledger. The balance under GST available for adjustment against the GST payable on final products at the close of the year has been included in the ASSETS side.

### 3.34 Realizations:-

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of Business, not be less than the amounts at which they are stated in the Balance sheet.

### 3.36 Impairment of Assets:-

The management of the company has carried out an exercise to ascertain impairment of Fixed Assets, if any, In the opinion of the management of the company there are no indication of impairment of assets as at 31/03/2019 and therefore no effect of impairment is required to be given in the books of account.

### 3.37 CIF Value of Imports:-

	Year Ended 31 <sup>st</sup> March 2019	Year Ended 31 <sup>st</sup> March 2018
Raw Material	1,45,09,748.00	8,18,32,200.00
Stores, Spares and Packing Materials	-	-
Capital Goods	31,94,553.00	-
<b>Total</b>	<b>1,77,04,301.00</b>	<b>8,18,32,200.00</b>

### 3.38 Expenditure in Foreign Currency:-

	Year Ended 31 <sup>st</sup> March 2019	Year Ended 31 <sup>st</sup> March 2018
Advertisement Expense	-	-
Travelling Expense	-	-
Repair & Maintenance Expense	2,10,000.00	-
<b>Total</b>	<b>2,10,000.00</b>	<b>-</b>

### 3.39 Earnings in Foreign Exchange:-

	Year Ended 31st March 2019	Year Ended 31st March 2018
<b>CIF Value of Exports</b>	4,98,46,505.56	75,18,127.13
<b>FOB Value of Exports</b>	4,72,95,026.96	68,46,773.37

### 3.40 Micro Small and Medium Enterprise(MSME) Creditors:-

The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

### 3.41 General Notes: -

- Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.
- Balances shown under Long-term borrowings, Long term provisions, Short term provisions, Trade payables, Other current liabilities, Long term loans and advances, inventories, Trade Receivables, Short term loans and advances and other current assets, etc. are subject to confirmation / reconciliation, if any. The management does not expect any material difference affecting the current year's financial statements.
- Cash Balance is taken as valued & certified by management.
- Confirmations / certificates in respect of unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are awaited.
- Company has filed Summary Suit of ₹ 56,97,216.00 for recovery of outstanding debts against three of its Debtors, out of which it recovered full amount of ₹ 10,58,282.00 from New Gujarat Cola Private Limited. The remaining recoverable amount are as follows :

Sr No	Party Name	Recoverable Amount
1.	Two Brothers Beverages Private Limited	₹ 33,70,071.00
2.	Sahyadri Food and Agro Industries	₹ 12,68,863.00

### 3.42 Pending Litigations and Civil Proceedings: -

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company, our Directors, our Promoters and our Group Entities and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding ` 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule V to the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoters, our Directors and Group Entities.

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, our Promoters, our Directors or our Promoter Group Entities, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of our Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on our Company, our Promoters, our Directors or our Group Entities from any statutory authority / revenue authority that would have a material adverse effect on our business.

### 3.43 Contingent Liabilities:-

**The below mentioned contingent Liabilities are standing as on the Balance Sheet Date:**

- i. The State of Gujarat through Commissioner of Commercial Tax, C -2, Rajya Kar Bhavan, Ashram Road, Ahmedabad has filed an appeal against the order of Gujarat Valued Added Tax Tribunal, Ahmedabad has ordered to consider PET Preform is being Packing Material falling under Entry 55 of Schedule II of the Gujarat Value Added Tax, 2003 whereas The Department of Commercial Tax-Gujarat filled an Appeal into a High Court of Gujarat against the order of tribunal to consider the Entry treated as Residuary Entry 87 of 2nd Schedule of The Gujarat Value Added Tax, 2003 and levy the Tax @ 12.5% plus 2.5% as Additional tax instead of 4% plus 1% as Additional Tax as ordered by Gujarat Value Added Tax Tribunal, Ahmedabad. Amount of the Liability cannot be quantified. If Honourable High Court of Gujarat set aside the order of the Tribunal, the Liability may arise on the sales made at Local Rate.

- ii. The company has executed Bond for ₹ 50 Lacs (Fifty Lacs only) for non-payment of Central Excise Duty for purchase of excisable goods. In the event of failure of export of the goods as per the terms and conditions of Bond executed is not made than Excise Duty is payable to the extent applicable.
- iii. The Company Has Imported Plant and Custom duty is not paid to the amount of ₹ 116.33 Lacs (with 15% interest per annum) on the basis of the undertaking given to the president of India, The Assistant Commissioner of Customs ICD-Khodiyar, Gandhinagar. They will export the goods manufactured from imported plant within the period of Eight years. The obligation as specifying terms of the notification of the Government of India in the ministry of Finance (Department of Revenue) No. 102/2009 Dated 11.09.2009.

The Contingent Liabilities which can be ascertained and quantified are mentioned in the below mentioned Table:-

(in Lacs)	
Particulars	Amount in ₹
Claim against EPCG License	55.71

- **Indirect Tax Proceedings Involve by Company (VAT Matters)**

- i. M/s Ahimsa Industries Pvt Ltd has sold PET Preform on 23.08.2012 vide Tax Invoice No.106. Company file an application inquiring about the applicable rate of tax on the sale of this product to be used as packing material. The appellant has contended that the PET Preform is a packing material and it falls under Entry 55 of Schedule II to the Gujarat Value Added Tax Act, 2003 on 30.08.2012. However, the learned Joint Commissioner of Commercial Tax (Legal) Vide Order No. VAT/Sec. 80/2012/D/237/J.504/507 had determined dated on 20/11/2012 held that PET preform is not a Packing Material and its included as Residuary Goods. He held that it is covered under Entry 87 of Schedule II to the Act and it is accordingly taxable at the rate of 12.5% plus 2.5% additional tax. Instead of 4%+1% as charged by company.
- ii. In against the order No. VAT/K-80/2012/D/237/J.504/507, dated 20.11.2012 of the learned Joint Commissioner of Commercial Tax, Company filed appeal, dated 28.11.2012 in the Gujarat Value Added Tax Tribunal, Ahmedabad. The Hon'ble Bench vide in its Order No. B-1718/2013/First Appeal No.9/12 dated 24.04.2013 of Tribunal held that a PET Preform is convenient form of packing and strictly used as end product for packing purposes only. Therefore, it is held to be declared as polythene packing material falling under Entry 55 of Schedule II to the GVAT Act and liable to be taxed accordingly and the same cannot be treated under residuary Entry 87 of Schedule II to the Act. The order of the determining authority is therefore, not just and proper and the appellant is not liable to be taxed @ 12.5% plus 2.5% by way of additional tax.



- iii. Being aggrieved and dissatisfied by the Judgement and order dated 24/04/2013, passed in First appeal no. 9 of 2012 by Hon'ble Gujarat Value Added Tax tribunal at Ahmedabad the State of Gujarat through the Commissioner of Commercial tax (Applicant) filed appeal against M/S Ahimsa Industries Pvt. Ltd. (Respondent) under the Tax Appeal No.1354 of 2014 dated on 13/05/2014 before the Hon'ble High Court of Gujarat at Ahmedabad. Now the proceeding of this case are pending in the Hon'ble High Court of Gujarat.

**For Mistry & Shah**  
**Chartered Accountants**  
**FRN:122702W**

**For and on behalf of the Board of Directors**

**Ashutosh D. Gandhi**  
**Managing Director**  
**DIN:00654563**

**Sneha A. Gandhi**  
**Wholetime Director**  
**DIN:00654675**

**Partner**  
**Krunal Shah**  
**M. No. 144596**

**Rashmi J. Patel**  
**Company Secretary**  
**M.No. A46687**

**Sanjay**  
**Agrawal**  
**CEO**

**Shrenik M. Khatwala**  
**CFO**

**Place : Ahmedabad**  
**Date : May 29th 2019**

**Place : Ahmedabad**  
**Date : May 29th 2019**