ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.1 Compliance with Ind AS:

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) rules, 2015], as amended from time to time and other relevant provisions of the Act.

1.2 Historical cost convention:

The financial statements are prepared under historical cost basis, except for the following:

certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value; defined benefit plans – plan assets measured at fair value

1.3 Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities,disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

2. FOREIGN CURRENCY TRANSLATION

2.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Bharat Dynamics Limited's functional and presentation currency.

2.2 Transactions and Balances

i) Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit and loss.

ii) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

iii) Liability for deferred payments (and receivable from Indian army and ordnance factory) including interest thereon, on supplies/ services from the USSR (erstwhile) is set up at the rate of exchange notified by the Reserve Bank of India for deferred payments including interest thereon under the protocol arrangements between the Government of India and Government of Russia. The differences due to fluctuations in the rate of exchange are charged to revenue.

3. REVENUE RECOGNITION:

A. Revenue from Contract with Customers

(i) Revenue is recognized when (or as) the company satisfies a performance obligation.

(ii) Satisfaction of performance obligation over time

a. Revenue is recognised overtime where the transfer of control of goods or services take places over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:

- the company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
- the company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment including a reasonable profit margin for performance completed to date.

b. Progress made towards satisfying a performance obligation is assessed based on Input Method on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

c. In case of AMC contracts, where passage of time is the criteria for satisfaction of performance obligation, revenue is recognised using the output method.

(iii) Satisfaction of performance obligation at a point in time

a. In respect of cases where the transfer of control does not take place over time, the company recognises the revenue at a point in time when it satisfies the performance obligations.

b. The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:

- the company has transferred physical possession of the asset
- the customer has legal title to the asset
- the customer has accepted the asset
- when the company has a present right to payment for the asset
- The customer has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco- terms of the contracts.

Ex-Works contract – In case of Ex-works contract, revenue is recognised when the specified goods are unconditionally appropriated to the contract after prior Inspection and acceptance, if required.

FOR Contracts – In the case of FOR contracts, revenue is recognised when the goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period.

Bill and hold Sales:

Bill and hold sales is recognised when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the company does not have the ability to use the product or to direct it to another customer

(iv) Measurement

a. Revenue is recognized at the amount of the transaction price that is allocated to the performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties and net of estimated liquidated damages.

Exchange rate variation and any other additional consideration is recognised based on contractual terms of the contract.

b. The entity obligation to replace or repair faulty goods under the standard warranty terms is recognized as a provision and is not adjusted against transaction price as the customer does not have option to purchase warranty seperately.

c. In case where the contracts involve multiple performance obligations, the company allocates the transaction price to each performance obligation on the relative stand-alone selling price basis.

Bundled Contracts - In case of a Bundled contract, where separate fee for installation and commissioning or any other separately identifiable component is not stipulated, the Company applies the recognition criteria to separately identifiable components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on stand-alone selling price.

Multiple Elements - In cases where the installation and commissioning or any other separately identifiable component is stipulated and price for the same agreed separately, the Company applies the recognition criteria to separately identified components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on their stand-alone selling price.

d. If the stand-alone selling price is not available the company estimates the stand alone selling price.

(v) Significant financing component

Advances received towards execution of Defence related projects are not considered for determining significant inancing component since the objective is to protect the interest of the contracting parties.

In respect of other contracts, the existence of significant financing component is reviewed on a case to case basis.

(vi) Customer financed assets:

The assets financed by customers are recognized initially at fair value. The corresponding revenue is recognized in proportion to depreciation over the life of the asset.

B. **Other Income:**

Recognition of other income is as follows

i) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

ii) Dividend:

Dividend income is recognized when the Company's right to receive the payment is established.

4. GOVERNMENT GRANTS

4.1 Grants from the government are recognized at their fair value where there is reasonable assurance that grant will be received and the Company will comply with all attached conditions.

4.2 Government grants relating to income are deferred and recognized in the profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other ncome.

4.3 Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

4.4 Government Grants received either as subsidy or otherwise for acquisition of depreciable assets are accounted as deferred income. If the grant/subsidy is absolute, amount corresponding to the depreciation is treated as income over the life of the asset. If the grant/subsidy is attached with any conditions, such as repayment, income is accounted as per the terms of the grant/subsidy.

5. INCOME TAX

5.1 The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

5.2 Current tax:

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

5.3 Deferred tax:

i) Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of asset or liability in a transaction other than business combination that at the time of the transaction affects neither accounting profit nor the taxable profit (tax loss). Deferred income tax is determined using the tax rates (and laws) that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

ii) Deferred tax assets are recognized for all deductible temporary differences and unused losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax asset is also recognised for the indexation benefit on land available for taxation purpose since it results in a temporary difference.

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

iv) Current and deferred tax is recognized in profit or loss, except to the extent that it relates to the items recognized in other comprehensive income or directly equity. In this case, the tax is also recognized in other comprehensive income or directly equity, respectively.

6. LEASES

6.1 Company as a lessee:

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – "Leases" if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with short term lease (term of twelve months or less) and lease in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset.

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments. Subsequent measurement ,if any, is made using cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

6.2 Company as a Lessor:

Lease are classified as finance or operating lease based on the recognition criteria specified in Ind AS 116 – Leases.

a) Finance Lease:

At commencement date, amount equivalent to the "net investment in the lease" is presented as a receivable. The implicit interest rate is used to measure the value of the "net investment in Lease"

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the statement of profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109- Financial Instruments.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The company recognises lease payments from operating leases as income on either a straight line basis or another systematic basis, if required.

Lease modifications, if any, are accounted as a separate lease if the recognition criteria specified in the standard are met.

A lease is classified at the inception date as a finance lease or operating lease.

7. INVENTORIES

7.1 Inventories are valued at lower of cost and net realizable value.The cost of raw material,components and stores are assigned by using the actual weighted average cost formula and those in transit at cost to date.In the case of stock-in-trade and work-in-progress,cost includes material,labour and related production overheads.

7.2 Stationery, uniforms, welfare consumables, medical and canteen stores are charged off to revenue at the time of receipt.

7.3 Raw-materials, Components, Construction Materials, Loose Tools and Stores and Spare Parts declared surplus/ unserviceable/ redundant are charged to revenue.

7.4 Provision for redundancy is made in respect of closing inventory of Raw materials and Components, and Construction Materials non-moving for more than 5 years. Besides, where necessary, adequate provision is made for redundancy of such inventory in respect of completed/ specific projects and other surplus/ redundant materials pending transfer to salvage stores.

8. FINANCIAL INSTRUMENTS

8.1 Financial Assets:

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value.

i) Classification of financial assets:

The Company classifies its financial assets in the following measurement categories:

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

o those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as:

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

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

(a)(iii) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

b) Equity instruments

(b)(i) The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(b)(ii) Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

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

v) Trade receivables:

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 18 (or when the entity applies the practical expedient) or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition.

8.2 Financial liabilities and equity instruments issued by the Company

Classification

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

i) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

ii) Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company. Trade and other payables are presented as current liabilities if payment is due within 12 months after the reporting period otherwise as non-current. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

iv) Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The derivatives that are not designated as hedges are accounted for at fair value through profit and loss and are included in other gains/ (losses).

a) Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial Assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract and are measured at fair value through profit and loss. Embedded derivatives closely related to the host contract are not separated.

b) Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- The functional currency of any substantial party to that contract,
- The currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- A currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss.

8.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

9. CASH AND CASH EQUIVALENTS:

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

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

10. FAIR VALUE MEASUREMENT

10.1 The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date.

10.2 All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

Level 3 – Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs).

10.3 For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

11. PROPERTY, PLANT AND EQUIPMENT

11.1 Measurement

i. Land is capitalised at cost to the Company. Development of land such as levelling, clearing and grading is capitalised along with the cost of building in proportion to the land utilized for construction of buildings and rest of the development expenditure is capitalised along with cost of land. Development expenditure incurred for the purpose of landscaping or for any other purpose not connected with construction of any building is treated as cost of land.

ii. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical costs includes expenditure that is directly attributable to the acquisition of items.

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

iv. Where the cost of a part of the asset is significant to the total cost of the asset and useful life of that significant part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and the significant part is depreciated on straight line method over its estimated useful life.

11.2 Depreciation method, estimated useful life and residual value:

i. Depreciation is calculated using the straight line method to allocate their cost, net of residual values, over the estimated useful life.

ii. The useful lives have been determined to be equal to those prescribed in Schedule II to the Companies Act; 2013.

iii. The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

11.3 Disposal

Gains and losses on disposal are determined by comparing net sale proceeds with carrying amount. These are included in statement of profit and loss.

12. INTANGIBLE ASSETS:

12.1 Licences

Separately acquired licences are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

12.2 Computer software

a) The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits-, is recognised as an Intangible Asset in the books of accounts when the same is ready for use. Intangible Assets that are not yet ready for their intended use as at the Balance Sheet date are classified as “Intangible Assets under Development.

b) Cost associated with maintaining of software programs are recognized as an expense as incurred.

c) Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

d) Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

e) Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

12.3 Research and development

Research expenditure and development expenditure that do not meet the criteria in 12.2(c) above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

In the event of the Company financed project(s) being foreclosed/ abandoned, the expenditure incurred up to the stage of foreclosure/ abandonment is charged off to revenue in the year of foreclosure/ abandonment.

12.4 Amortization methods and periods

The Company amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Licences	Useful Life/Production
Computer software	3 years

13. INVESTMENT PROPERTY:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

14. NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE ANDDISCONTINUED OPERATIONS:

14.1 Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

14.2 An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

14.3 Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

14.4 Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

14.5 A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

15. IMPAIRMENT OF ASSETS:

15.1 Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

15.2 The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

16. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

16.1 Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

16.2 Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provisions is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

16.3 Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

16.4 Warranty: Warranty on goods sold, wherever applicable, commences once the sale is complete and accordingly provision for such warranty is made. The period, terms and conditions of warranty as per the relevant contract are taken into consideration while determining the provision for such sales.

16.5 Provision for Onerous Contract: A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

17. EMPLOYEE BENEFITS

17.1 Short-term obligations

Liabilities for wages and salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

17.2 Other long term employee benefit obligations

The liability for vacation leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

17.3 Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as Gratuity and contribution towards Provident Fund under the PF Act; and

(b) Defined contribution plans namely Retired Employee Medical Scheme (REMI)/Post Superannuation Medical Benefit (PSMB), Death Relief Fund (DRF), Employee State Insurance Scheme (ESI) and Pension Scheme(s).

a) Defined benefit plans

The liability or assets recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

b) Defined contribution plans

The Company pays contributions to trusts established as per local regulations and also to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company's contribution paid/ payable to Company approved Retired Employee Medical Scheme (REMI)/Post superannuation Medical Benefit(PSMB), Death Relief Fund (DRF), Employee State Insurance Scheme (ESI) and Pension Scheme are charged to revenue.

17.4 Termination Benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefit are measured based on the number of employees expected to accept the offer. Termination Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensation paid to Employees under Voluntary Retirement Scheme (VRS) is charged to Statement of Profit and Loss in the year of retirement.

18. CONTRIBUTED EQUITY

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

19. DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

20. EARNINGS PER SHARE

20.1 Basic earnings per share

Basic earnings per share is calculated by dividing:

The profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

20.2 Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Note 1 to 39 and Accounting Policies attached form part of accounts.

As per our report of even date.
For G Natesan & Co.,
Chartered Accountants
Firm's Registration No.002424S

For and on behalf of the Board

K Murali
Partner
(M.No.024842)

S.PIRAMANAYAGAM
Director (Finance)
DIN: 07117827

Cmde SIDDHARTH MISHRA (Retd)
Chairman and Managing Director
DIN: 08367035

Place: Hyderabad
Date : 29.06.2020

Place: Hyderabad
Date : 29.06.2020

N.NAGARAJA
Company Secretary
(M.No. A19015)

NOTES

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Property, Plant and Equipment (₹ in lakh)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2018	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2019	Accumulated depreciation/ amortisation as at April 1, 2018	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2019	As at March 31, 2019
Freehold Land	8,429.13	341.74	-	**8,770.87**	-	-	-	-	**8,770.87**
Leasehold Land	3,477.17	-	-	**3,477.17**	111.15	37.05	-	**148.20**	**3,328.97**
Buildings	20,367.58	10,488.88	(69.95)	**30,786.51**	1,838.20	1,180.93	(9.22)	**3,009.91**	**27,776.60**
Fencing and Compound Walls	1,129.00	-	-	**1,129.00**	759.85	187.17	-	**947.02**	**181.98**
Roads and Drains	853.43	372.69	-	**1,226.12**	333.00	122.46	-	**455.46**	**770.66**
Water Supply Installations	172.46	1.10	-	**173.56**	14.03	6.30	-	**20.33**	**153.23**
Plant, Machinery and Equipment	42,341.14	3,668.88	(19.59)	**45,990.43**	7,228.14	3,207.45	(5.71)	**10,429.88**	**35,560.55**
Furniture and Equipment	3,002.84	372.68	(47.19)	**3,328.33**	1,266.68	513.80	(12.36)	**1,768.12**	**1,560.21**
Transport Vehicles	546.03	39.42	-	**585.45**	212.51	77.23	-	**289.74**	**295.71**
Special Tools & Equipment	5,248.05	109.90	-	**5,357.95**	1,787.11	723.05	-	**2,510.16**	**2,847.79**
Total	**85,566.83**	**15,395.29**	**(136.73)**	**100,825.39**	**13,550.67**	**6,055.44**	**(27.29)**	**19,578.82**	**81,246.57**

(₹ in lakh)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2019	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2020	Accumulated depreciation/ amortisation as at April 1, 2019	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2020	As at March 31, 2020
Freehold Land	8,770.87	1.60	-	**8,772.47**	-	-	-	-	**8,772.47**
Buildings	30,786.51	609.34	-	**31,395.85**	3,009.91	1,353.12	-	**4,363.03**	**27,032.82**
Fencing and Compound Walls	1,129.00	166.81	-	**1,295.81**	947.02	167.15	-	**1,114.17**	**181.64**
Roads and Drains	1,226.12	440.07	-	**1,666.19**	455.46	143.04	-	**598.50**	**1,067.69**
Water Supply Installations	173.56	10.64	-	**184.20**	20.33	7.23	-	**27.56**	**156.64**
Plant, Machinery and Equipment	45,990.43	1,958.16	(19.75)	**47,928.84**	10,429.88	3,391.10	(5.60)	**13,815.38**	**34,113.46**
Furniture and Equipment	3,328.33	490.19	(4.38)	**3,814.14**	1,768.12	489.49	(3.36)	**2,254.25**	**1,559.89**
Transport Vehicles	585.45	76.56	-	**662.01**	289.74	72.06	-	**361.80**	**300.21**
Special Tools & Equipment	5,357.95	4.45	(0.10)	**5,362.30**	2,510.16	731.90	(0.10)	**3,241.96**	**2,120.34**
Total	**97,348.22**	**3,757.82**	**(24.23)**	**101,081.81**	**19,430.62**	**6,355.09**	**(9.06)**	**25,776.65**	**75,305.16**

Notes:

Freehold Land:

(a) Freehold Land includes

(i) 2 Acres and 08 Guntas as at March 31,2020 (March 31,2019: 2 Acres and 08 Guntas) of land at Kanchanbagh, Hyderabad given on permissive possession to a Government of India Organisation and is in their possession.

(ii) 146 Acres 32 Guntas (March 31,2019: 146 Acres 32 Guntas) of land at Kanchanbagh, Hyderabad received free of cost from State Government, is valued at ₹ 28.42 Lakh (as at March 31,2019 ₹ 28.42 Lakh), title to this land is yet to be received.

(b) In respect of land admeasuring 82 Acres 31 Guntas (as at March 31,2018: 82 Acres 31 Guntas) at Karmanghat, Hyderabad acquired by state government for the company for which an amount of ₹ 21.66 Lakh (as at March 31 2018 : ₹ 21.66 Lakh) paid by the company is capitalised.

(c) Title is yet to be received for 10 Acres 13 Guntas (as at March 31,2019 : 10 Acres 13 Guntas) of land at Visakhapatnam for which an amount of ₹ 376.13 lakh (as at March 31,2019: ₹ 376.13 lakh) paid/provided is capitalised.

(d) Free hold land of 632 Acres 16.50 Guntas (as at March 31,2019: 632 Acres 16.50 Guntas) at Ibrahimpatnam, Rangareddy District is taken possesion on agreement of sale by paying ₹ 6136.90 Lakh (as at March 31,2019: ₹ 6136.90 lakh) based on tentative fixation of price is capitalised.

Buildings :

(a) Buildings include ₹ 111.01 Lakh as at March 31, 2020 (March 31, 2019 : ₹ 111.01 Lakh) being the value of buildings constructed on land not belonging to the Company.

(i) The Estimated useful life of various categories of assets (As per schedule II to the companies Act, 2013) is described as follows:

Asset	Useful life
Buildings	30 / 60
Fencing and Compound walls	5
Roads and Drains	10
Water supply installations	30
Plant, Machinery and Equipment	10/ 12/ 15
Furniture and Equipment	3 / 5 / 10
Transport vehicles	8 / 10

(ii) For method and accounting of depreciation, refer the accounting policy 11: Property, Plant and Equipme

(iii) Impairment is tested as per the accounting policy 15. the company has assessed that there are no indicators of impairment.

(iv) Refer Note 39(22): Implementation of Ind AS 116

Note 2: Capital Work-in-Progress (₹ in lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Civil	961.45	1,122.69
Plant & Machinery	3,216.86	3,558.76
Others	27.54	21.63
Total	**4,205.85**	**4,703.08**

Notes:

(i) Capital Work-in-Progress includes ₹ 16.69 Lakh as at March 31, 2020 (March 31, 2019: ₹ 16.69 Lakh) of Buildings kept in abeyance due to lack of environmental clearance. Subsequent to the report of the Dy. Collector and Tahasildar, the Company obtained Survey report from Asst. Director, Survey Settlement and Land Records, R.R District. In order to proceed further, the company is in the process of obtaining clearances from environmental authorities. Necessary adjustments would be carried out in the books on receipt of clearance from environmental and other authorities.

(ii) Refer note 39(7) for capital commitments and Note 39(8) for details relating to short closed projects.

Note 3: Investment Property (₹ in lakh)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2018	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2019	Accumulated depreciation/ amortisation as at April 1, 2018	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2019	As at March 31, 2019
Land (held for rentals)	0.97	-	-	0.97	-	-	-	-	0.97

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2019	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2020	Accumulated depreciation/ amortisation as at April 1, 2019	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2020	As at March 31, 2020
Land (held for rentals)	0.97	-	-	0.97	-	-	-	-	0.97

(i) Amounts recognised in Profit or Loss for Investment Properties

Particulars	March 31, 2020	March 31, 2019
Rental income	-	-
Profit from Investment Properties before depreciation	-	-
Depreciation	-	-
Profit from Investment Properties	-	-

(ii) **Contractual obligations**

The Company has no contractual obligations to sell, construct or develop investment property or for its repairs, maintenance or enhancements.

(iii) **Leasing arrangements**

Land admeasuring 5 acres and 1 gunta at Kanchanbagh is leased to Government of India under long-term operating leases with rentals payable yearly. The lease rentals for such property is ₹1 per annum per acre. Leasing arrangements are the same for year ended March 31, 2020 and March 31, 2019.

(iv) **Fair value**

Particulars	March 31, 2020	March 31, 2019
Investment properties	1459.26	1459.26

Significant judgement:

As the land given to Indian Navy is within the premises of the company and it would not be possible for the company to give the land to a third party, the Registration department value of the land is considered to be the fair value of the land. The fair value arrived at is ₹ 0.06 lakh per square yard as per the Registration department.

(v) Impairment is tested as per the accounting policy 15. The company has assessed that there are no indicators of impairment.

Note 4: Right of use assets (₹ in lakh)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2019	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2020	Accumulated depreciation/ amortisation as at April 1, 2019	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2020	As at March 31, 2020
Leasehold Land	3,477.17	-	-	**3,477.17**	148.20	37.05	-	**185.25**	**3,291.92**
Leasehold Building	998.91	-	-	**998.91**	-	139.37	-	**139.37**	**859.53**
Total	**4,476.07**	**-**	**-**	**4,476.07**	**148.20**	**176.42**	**-**	**324.62**	**4,151.45**

Leasehold Land :

(a) Land measuring 3 acres 25 guntas (March 31, 2019: 3 acres 25 guntas) at Visakhapatnam was taken on lease from Government of India at a rental of ₹ 1.00 per acre per annum.

(b) Leasehold land measuring 553 Acres 34 Guntas (as at March 31,2019: 553 Acres 34 Guntas) at Amravati for which a premium of ₹ 3922.37 lakh was paid is taken on lease on 07/02/2014 with certain conditions attached to it. One of the main condition is, if the factory building and works are not completed within 60 months from the date of allotment, unless the time is extended, the lease agreement may be cancelled and the lessor may take possession of the leasehold land together with all the erections, if any, on the said land, without paying any compensation to the company. At present the period of investment has been extended upto 05.04.2019. The project for which the land has been taken on lease is under finalisation with Ministry of Defence (MoD), the Company is pursuing for further extension of period of investment.

Leasehold Building :

Corporate office building measuring 53,284 sq ft is taken on lease from APSFC from 01.06.2016 for a period of 10 years. Company recognised the building under right of use assets (RoU) asset at a value of ₹ 998.91 lakhs, a corresponding lease liability of ₹ 972.01 lakhs and a provision for an amount of ₹ 26.90 lakhs. towards asset retirement obligation on 01.04.2019 as per Ind AS 116. Lease liability is recognised at the present value of lease payment discounted at the incremental borrowing rate of 8%.
Refer Note 39(22): Implementation of Ind AS 116

Note 5: Intangible Assets (₹ in lakh)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2018	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2019	Accumulated depreciation/ amortisation as at April 1, 2018	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2019	As at March 31, 2019
Development Expenditure	3,324.10	-	-	**3,324.10**	3,017.34	128.78	-	**3,146.12**	**177.98**
Computer Software	1,755.92	348.27	-	**2,104.19**	1,092.93	470.67	-	**1,563.60**	**540.59**
License Fee	14,215.46	1,492.00	-	**15,707.46**	364.24	1,612.71	-	**1,976.95**	**13,730.51**
Total	**19,295.48**	**1,840.27**	-	**21,135.75**	**4,474.51**	**2,212.16**	-	**6,686.67**	**14,449.08**

(₹ in lakh)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT
	As at April 1, 2019	Additions during the year	Deductions/ adjustments during the year	As at March 31, 2020	Accumulated depreciation/ amortisation as at April 1, 2019	Depreciation/ amortisation for the year	Deductions/ adjustments during the year	Accumulated depreciation/ amortisation as at March 31, 2020	As at March 31, 2020
Development Expenditure	3,324.10	-	-	**3,324.10**	3,146.12	86.61	-	**3,232.73**	**91.37**
Computer Software	2,104.19	52.45	-	**2,156.64**	1,563.60	311.09	-	**1,874.69**	**281.95**
License Fee	15,707.46	2,390.00	-	**18,097.46**	1,976.95	2,714.63	-	**4,691.58**	**13,405.88**
Total	**21,135.75**	**2,442.45**	**-**	**23,578.20**	**6,686.67**	**3,112.33**	**-**	**9,799.00**	**13,779.20**

Note 6: Intangible Assets under development

Particulars	As at March 31, 2020	As at March 31, 2019
Intangible assets under development	-	-
Total	**-**	**-**

Significant judgement

The company estimates the useful life of the software to be 3 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 3 years, depending on technical innovations.

(₹ in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
7	**Non-current Investments**		
	Investment carried at fair value through profit and loss (Unquoted)	390.43	371.74
	(i) 9,21,920 (as at March 31,2019 9,21,920) (including 3,85,920 Bonus Shares) fully paid-up Equity shares (Unquoted) of ₹ 10/- each of A.P.Gas Power Corporation Limited		
		390.43	**371.74**
	- Impairment is tested as per the accounting policy 15. The company has assessed that there are no indicators of impairment. - Refer note 39(16): Fair value measurement.		
	Significant Judgement: Investments in AP Gas Power Corporation Limited have been designated as fair value through profit and loss. Fair value is considered based on Net worth of investee as the shares are unquoted and the company does not have a significant influence in the investee.		
8	**Non current Loans**		
	- Secured, considered good	-	-
	- Unsecured, considered good	300.35	299.20
		300.35	**299.20**
	Refer note 39(16): Fair value measurement.		
9	**Other Non-current Financial Assets**		
	Claims/Refunds receivable	261.91	-
	Deferred Debts	4,414.98	4,620.24
		4,676.89	**4,620.24**
	Refer note 39(16): Fair value measurement.		
	Significant Judgement: **Deferred Debts:** Deferred debts are receivables from the Indian Army and Ordnance factory. The receivable is denominated in Indian Rupees (INR) and receivable in equal instalments over 45 years commencing from 01/04/1992. As per the agreement, the receivable is adjusted on the basis of rates of Special Drawing Rights (SDR), issued by the International Monetary Fund (IMF). As such the receivable does not satisfy the Solely Payment of Principal and Interest (SPPI) criteria as set out in Ind AS 109. Hence, the receivable is measured at fair value through profit and loss. Deferred debt is discounted at 8% to arrive at the fair value on initial recognition and the difference between the fair value and the total deferred debt is considered as deferred expense. Subsequently this is carried at fair value through profit and loss.		
10	**Other Non-current Assets**		
	Capital advances	660.30	660.30
	Deferred expense*	2,224.27	2,363.29
		2,884.57	**3,023.59**
	* Refer the significant judgement on Deferred Debts in Note No. 9		

(₹ in lakh)

	PARTICULARS	As at March 31, 2020		As at March 31, 2019	
11	**INVENTORIES ***				
	Raw Materials and Components	60,895.14		90892.88	
	Less: Provision	(4,524.99)		(4,002.67)	
	GIT of Raw Materials and Components	257.36		55.65	
			56,627.51		**86,945.86**
	Work-in-progress#	27,829.16		38104.61	
	Less: Provision	(867.01)		(521.72)	
			26,962.15		**37,582.89**
	Finished Goods	515.41		40606.29	
	Less: Provision	(88.03)		(94.98)	
	GIT of Finished Goods	0.31		-	
			427.69		**40,511.31**
	Stores and Spare Parts	1,242.59		896.59	
	Less:Provision	(169.95)		(173.32)	
	GIT of Stores and Spare Parts	-		-	
			1,072.64		**723.27**
	Loose Tools	1,057.28		1070.16	
	Less:Provision	(496.18)		(403.06)	
	GIT of Loose Tools	-		-	
			561.10		**667.10**
	Construction Materials		-		-
	Stores & Equipment - Welfare	307.89		306.35	
	Less: Amortisation	(307.41)		(305.87)	
			0.48		**0.48**
	Miscellaneous Stores		**0.20**		**22.29**
			85,651.77		**166,453.20**
	# Includes Inventory with Customers		9.20		9.20
	* Include Material issued to Sub-contractors/Others		4,768.43		8,413.15
	- Out of ₹4768.43 lakh (as at March 31,2019 ₹ 8413.15 Lakh), material lying with sub contractors of ₹ 2787.33 Lakh (as at March 31,2019 ₹ 7427.69 Lakh) were confirmed / physically verified by the vendors. Differences on confirmation / physical verification of material lying with subcontractors of ₹ 470.76 Lakh (₹ 525.13 Lakh is shown as claims receivable and reduced from inventories.				
	- Valuation of Inventories has been made as per Company's Accounting Policy No. 7.				
	- Refer note 39(8): Details of short closed projects.				
12	**Trade Receivables**		-		-
	Secured		-		-
	Unsecured, considered good		33,836.80		52,592.51
	Doubtful		-		-
	Less: Allowance for doubtful debts (expected credit loss allowance)		-		-
			33,836.80		**52,592.51**
	Refer Note: 39(16): Fair value measurement; 39(13) Charges registered.				
	Refer Note: 39(21)(F): Movement of Trade Receivables				
13	**Cash and Cash Equivalents**				
	Balances with Banks		-		-
	- in current accounts		248.69		193.69
	- in deposit accounts (less than 3 months)		29,500.00		1,500.00
	Cash on hand*		0.78		3.38
	Remittances in transit		-		-
			29,749.47		**1,697.07**
	There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.				
	* Cash on hand includes cash held with imprest holders				
	Refer note 39(16): Fair value measurement.				
	Refer note 39(2): Offsetting of Financial Assets and Financial Liablities - Bank Flexi and Current Accounts adjusted against Bank Overdraft				

(₹ in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
14	**Other Bank balances**		
	Bank deposits other than margin money	36,600.00	35,434.60
	(Maturity period more than 3 months but less than 12 months)		
		36,600.00	**35,434.60**
	- The company has been sanctioned an overdraft facility of ₹ 1,500.00 lakhs against which the company had pledged deposits worth ₹ 1,800.00 lakhs as security.		
	- The company has pledged fixed deposits receipts worth Nil (₹ 10400.00 lakhs as on 31st March 2019) with bank for secured loan of Nil (₹ 9250.00 lakhs as on 31st March 2019). Refer Note 39(1) : Offsetting Financial Assets and Financial Liabilities - Loans adjusted against Fixed Deposits		
	- There are no bank deposits with maturity beyond 12 months.		
	Reconciliation of Cash and Bank balances:		
	Cash and Cash Equivalents (as per the above)	29,749.47	1,697.07
	Bank Balance (as per the above)	36,600.00	35,434.60
	Total Cash and Bank balances	**66,349.47**	**37,131.67**
15	**Current Loans**		
	Loans to Employees		
	- Secured, considered good	-	-
	- Unsecured, considered good	236.96	244.65
	Total Current Loans	**236.96**	**244.65**
	Also refer note 39(16): Fair value measurement.		
16	**Other Current Financial Assets**		
	Claims/Refunds receivable	5,608.97	5,238.62
	Less: Provision for doubtful claims (Refer Note - A below)	(21.47)	(21.47)
	Deferred Debts*	347.85	423.54
	Unbilled Revenue#	233,532.83	131,860.15
	Interest accrued on Deposits	2,618.47	903.75
	Interest accrued - Others	17.77	18.31
	Other Assets held for sale (Refer Note - B below)	1.20	-
	Total Other Current Financial Assets	**242,105.62**	**138,422.90**
	Refer note 39(16): Fair value measurement.		
	#Refer note 39(21)(C): Movement of Contract Assets and Contract Liabilities		
	* Refer the significant judgement on Deferred Debts in Note No. 9		
	Note - A		
	(i) In case of a supplier, the company initiated legal action for recovery of advance amount of 17.14 Lakh together with interest etc., as the Contract was not executed. Though District Court issued a decree for an amount of ₹ 48.10 lakh together with interest etc., in favour of the company, the decretal amount has not been recognised as claims receivable/income since the supplier was granted stay of operation of the decree by Hon'ble High Court and the matter is sub-judice as on date.		
	(ii) In the case of another supplier, the Company has initiated legal action for recovery of advance amount of ₹ 4.33 Lakhs with interest, being amount paid towards material purchases, which were subsequently rejected and taken back by the supplier but failed to supply the correct material. The case was decreed in favour of M/S BDL(ex-parte) and has to be executed.		
	Note - B		
	Gorss Block of assets retired and held for sale during the year 2019-20 is ₹ 213.98 Lakh (₹ 107.56 Lakh during 2018-19) and Accumulated Depreciation is ₹ 212.78 Lakh (₹ 107.56 Lakh during 2018-19).		
17	**Other Current Assets**		
	Advances other than capital advances:		
	Advances to vendors		
	- Secured, considered good	264.72	425.03
	- Unsecured, considered good	20,701.27	22,523.90
	- Unsecured, considered doubtful	2.55	2.34
	Less: Provision for doubtful advances	(2.55)	(2.34)
	Prepaid expenses	113.55	144.37
	Deposits	3,904.43	2,599.83
	Advance Service Tax & GST	548.77	4,556.23
	Deferred Expense*	139.02	139.02
	Earmarked balances with banks for unpaid dividend	12.46	1,178.73
	Total Current Assets	**25,684.22**	**31,567.11**
	Refer note 39(8): Details of short closed projects.		
	* Refer the significant judgement on Deferred Debts in Note No. 9		

18. Equity Share Capital:

(₹ in lakh)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Authorised		
20,00,00,000 Equity Shares of ₹ 10/- each	20,000.00	20,000.00
Issued, Subscribed and paid up		
18,32,81,250 Equity Shares of ₹ 10/- each fully paid	18,328.12	18,328.12
	18,328.12	**18,328.12**

Notes:

Equity shares have a par value of ₹ 10 (2016-17 and before: ₹ 1000). They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

(A) Reconciliation of the number of Shares outstanding: (₹ in lakh)

PARTICULARS	Number of Shares	Amount
Balance as at March 31, 2018	**183,281,250**	**18,328.12**
Buy back during the year	-	-
Bonus issue during the year	-	-
Balance as at March 31, 2019	**183,281,250**	**18,328.12**
Buy back during the year	-	-
Bonus issue during the year	-	-
Balance as at March 31, 2020	**183,281,250**	**18,328.12**

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

PARTICULARS	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
Government of India	160,829,297	87.75%	160,829,297	87.75%

C) Details of the buyback for the last 5 years immediately preceding the Current year

PARTICULARS	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Number of shares bought back (nos.)	-	-	30,546,875	-	172,500	-
Face value of each share bought back (in Rupees)	-	-	10.00	-	1,000.00	-
Total Face value of shares bought back	-	-	3,054.69	-	1,725.00	-
Total Premium paid on shares bought back	-	-	41,998.90	-	18,160.80	-
Consideration paid towards buy back	-	-	45,053.59	-	19,885.80	-
Share capital reduction	-	-	3,054.69	-	1,725.00	-
Share premium utilised	-	-	-	-	-	-
General reserve utilised	-	-	45,053.59	-	19,885.80	-
Amount transferred to Capital redemption reserve	-	-	3,054.69	-	1,725.00	-

The face value of equity shares of ₹ 1000/- each was split into face value of ₹ 10/- each and accordingly no. of equity shares increased by 100 times with effect from 8th May 2017 .

In accordance with Sec 68,69 and 70 of the Companies Act, 2013, the company initiated and completed buy back of shares from Government of India during the year 2017-18 and during the year 2015-16 .

D) Details of the Bonus shares issued for the last 5 years immediately preceding the current year .

PARTICULARS	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
No. of Bonus shares issued (nos.)	-	-	91640625	244375	-	-
value of bonus shares issued (₹ in lakh)	-	-	9164.06	2,443.75	-	-

(₹in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
19	**Other Equity**		
	General Reserve	223,135.54	183,135.54
	Capital redemption Reserve	-	-
	Retained Earnings	19,219.31	25,390.94
	Balance at end of year	**242,354.85**	**208,526.48**
	A. General Reserve		
	Balance at beginning of year	183,135.54	160,135.54
	Transfer to Capital Redemption Reserve	-	-
	Buyback Premium Written off	-	-
	Depreciation Adjustment	-	-
	Transfer from Statement of Profit and Loss	40,000.00	23,000.00
	Bonus shares issued	-	-
	Balance at end of year	**223,135.54**	**183,135.54**
	The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.		
	B. Capital Redemption Reserve		
	Balance at beginning of year	-	-
	Transfer from General reserve	-	-
	Utilised against issue of bonus shares	-	-
	Balance at end of year	**-**	**-**
	Reduction in nominal value of share capital on account of buy-back of shares is recorded as Capital Redemption Reserve.		
	C. Retained Earnings		
	Balance at beginning of year	25,390.94	17,174.33
	Adjustment on account of adoption of Ind AS 115	-	17,736.54
	Profit for the year	53,490.08	42,258.72
	Final dividend and tax thereof	(3,689.95)	(16,107.64)
	Tax on Buyback of shares	-	-
	Interim Dividend	(11,455.08)	(9,622.27)
	Tax on Interim Dividend	(2,354.62)	(1,977.89)
	Transfer to General Reserve	(40,000.00)	(23,000.00)
	Other comprehensive income (net of tax)	(2,162.06)	(1,070.85)
	Balance at end of year	**19,219.31**	**25,390.94**
20	**Non- Current Lease Liabilities**		
	Lease Liabilities	771.19	-
		771.19	-
	Refer Note 39(22): Implementation of Ind AS 116		**-**
21	**Other Non - Current Financial Liabilities**		-
	Deferred Credit	1,784.14	1833.09
	Embedded derivative liability (Deferred liability)	2,756.24	2918.37
		4,540.38	4751.46
	Also refer note 39(16): Fair value measurement.		
	Significant judgements: 1) Deferred credit: Deferred credit represents the principal credit portion (at the base rate) of the 45 years (commencing from 01/04/1992) deferred credit provided by the Russian government. The deferred credit is a financial liability, therefore shall be recognised at fair value. The fair value is ascertained by discounting the future cash outflows at the rate of 8%. The company considers 8% to be the cost of capital. 2) Embedded derivative: The increase in liability due to movement in SDR rates is assessed to be an embedded derivative. The embedded derivative is accounted at the fair value on each reporting date through Profit and loss. The fair value is considered to be the adjusted rupee value of the SDR unit as on the reporting date according to the agreement.		
22	**Non-current Provisions**		
	Asset Retirement Obligation	29.13	-
	Employee benefits		
	Accrued Leave	-	-
	Gratuity	**-**	**-**
		29.13	**-**

(₹ in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
23	**Other Non - Current Liabilities**		
	Advances from Customers-$		
	MoD	18,647.55	10,395.74
	Others	40,052.71	949.20
	Deferred Income*	2,287.44	2,430.41
	Deferred Revenue #	10,048.39	9,548.51
		71,036.09	**23,323.86**
	* Refer the significant judgement on Deferred Credit in note No.21 # Refer note 39 (20) : Grant for solar plant $ Refer note 39(21)(C) : Movement of Contract Assets and Liabilities Also Refer Accounting Policy no.3 A (vi) and 4.4		
24	**Borrowings**		
	(a) Loans repayable on demand		
	(i) From Banks		
	-Secured bank overdraft	216.63	181.55
	- Unsecured	-	-
		216.63	**181.55**
	The company has been sanctioned an overdraft facility of ₹ 1,500.00 lakhs against which the company had pledged deposits worth ₹ 1,800.00 lakhs as security. Refer note 39(2): Offsetting of Financial Assets and Financial Liabilities - Bank Flexi and Current Accounts adjusted against Bank Overdraft		
25	**Trade Payables**		
	Trade Payables - Current:		-
	Dues to micro enterprises and small enterprises	1,380.62	2,756.32
	Dues to creditors other than micro, small and medium enterprises	33,167.91	49,189.40
		34,548.53	**51,945.72**
	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	(i) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year		
	- Principal	1,339.65	2,521.35
	- Interest	40.98	234.97
	(ii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
	(iii) The amount of interest due and payable for the year	-	22.03
	(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	40.98	234.97
	(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	- Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors.		
26	**Current Lease Liabilities**		
	Current maturities of Lease Liabilities	106.10	-
		106.10	**-**
	Refer Note 39(22): Implementation of Ind AS 116		
27	**Other Current Financial Liabilities**		
	Current maturities of Deferred credit*	357.73	357.73
	Deposits	1,170.27	1,245.53
	Creditors for expenses	6,398.85	3,394.60
	Employee benefits payable	6,966.47	5,135.84
	Others	320.21	675.72
	Capital works	1,341.09	1,535.03
		16,554.62	**12,344.45**
	Also refer note 39(16): Fair value measurement. * Refer the significant judgement on Deferred Credit in note No.21		

(₹ in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
28	**Other Current Liabilities**		
	Advances from Customers:#		
	- MoD	124,531.52	133,905.99
	- Others	7,785.71	52,088.83
	Deferred Income*	142.97	142.97
	Deferred Revenue	2,384.69	2,289.79
	Statutory remittances	12,561.94	3,139.63
		147,406.83	**191,567.21**
	Refer note 39(8): Details of short closed projects. # Refer note 39(21)(C): Movement of Contract Assets and Liabilities * Refer the significant judgement on deferred credit in note No. 21		

(₹ in lakh)

29	**Current Provisions**		
	Employee benefits		
	- Gratuity	3,625.08	2,531.82
	- Accrued leave	1,418.57	2,797.92
	Warranty	6,609.23	5,716.49
	Onerous contract	926.47	1,417.36
	CSR & Sustainable development	967.41	967.08
	Future charges	9,200.02	11,397.96
	Others	9,878.13	11,044.40
		32,624.91	**35,873.03**

Movement in provisions

(₹ in lakh)

Other Provisions	Employee benefits	Warranty	Onerous Contract	CSR & Sustainable Development	Future Charges	Others
Balance as at March 31, 2019	**5,329.74**	**5,716.49**	**1,417.36**	**967.08**	**11,397.96**	**11,044.40**
Additional provisions recognised	5,043.65	2,228.41	192.66	1,498.67	3,081.08	12.46
Reductions arising from payments/ other sacrifices of future economic benefits	(5,329.74)	(1,335.67)	(683.55)	(1,498.34)	(5,279.02)	(1,178.73)
Balance as at March 31, 2020	**5,043.65**	**6,609.23**	**926.47**	**967.41**	**9,200.02**	**9,878.13**

Warranties:

Warranty estimates are established using historical information on the nature, frequency and average cost of warranty claims and also management estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure which is generally expected to be settled within a period of 1 to 2 years from the date of supply.

Onerous contract:

Provision for onerous contract represents the loss assessed by the company on its executory sale contracts. Such loss will be provided as and when the assessment is made, by the company during the course of execution / at the inception of such contracts. The provision is reviewed periodically.

CSR & Sustainable development:

CSR & Sustainable development expenses are recognised based on the expenditure to be incurred as per the provisions of Companies Act, 2013.

Future charges:

Provision for future charges represents the estimated liability on account of revised ancillary/ packing material accepted to be delivered in lieu of ancillary/ packing material originally stipulated in the contract terms for the sales effected earlier and value of spares sent to forward location on user request for serviceability to avoid breakdown in emergency situations.

(₹ in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
30	**Income Taxes**		
30A	Deferred Tax Balance		
	Deferred Tax Assets	10,727.22	14,512.58
	Deferred Tax Liabilities	5,302.25	7,335.22
	Total	**5,424.97**	**7,177.36**
	Breakup of Deferred Tax balances		
	Deferred Tax Assets		
	Freehold Land	1,757.18	1,632.41
	Lease Liability	220.80	-
	Provisions	8,435.35	12,445.66
	Fair value adjustment to Deferred credit	313.89	434.51
	Sub-Total	**10,727.22**	**14,512.58**
	Deferred Tax Liabilities		
	Property plant and Equipment	3,279.70	4,279.41
	Right of use assets	56.52	-
	Intangible Assets	1,582.34	2,532.72
	Fair value of investments		
	- Equity Shares in unlisted Company	78.47	74.12
	- Mutual Funds	-	-
	Fair value adjustment to Deferred debts	305.22	448.97
	Others	-	-
	Sub-Total	**5,302.25**	**7,335.22**
	Net Deferred Tax Asset/(Liability)	**5,424.97**	**7,177.36**

Reconciliation of Deferred Tax Balances:

For 2018-19 (₹ in lakh)

	PARTICULARS	Opening Balance	Recognised in statement of Profit and loss	Recognised in Opening reserves	Closing Balance
	Deferred Tax Assets pertaining to :				
	Freehold Land	1,542.74	89.67	-	1,632.41
	Provisions	23,840.02	(2,007.49)	(9,386.87)	12,445.66
	Fair value adjustment to Deferred credit	431.73	2.78	-	434.51
	Sub total	**25,814.49**	**(1,915.04)**	**(9,386.87)**	**14,512.58**
	Deferred Tax Liabilities pertaining to :				
	Property plant and Equipment	3,568.85	710.56	-	4,279.41
	Intangible Assets	2,322.70	210.02	-	2,532.72
	Fair value of investments		-	-	-
	- Equity Shares in unlisted Company	72.76	1.36		74.12
	- Mutual Funds	174.39	(174.39)		(0.00)
	Fair value adjustment to Deferred debts	419.81	29.16	-	448.97
	Others	-	-	-	-
	Sub total	**6,558.51**	**776.71**	**-**	**7,335.22**
	Total	**19,255.98**	**(2,691.75)**	**(9,386.87)**	**7,177.36**

Reconciliation of Deferred Tax Balances:

For 2019-20

(₹ in lakh)

PARTICULARS	Opening Balance	Recognised in statement of Profit and loss	Recognised in Opening reserves	Closing Balance
Deferred Tax Assets pertaining to :				
Freehold Land	1,632.41	124.77		1,757.18
Lease Liability	-	220.80		220.80
Provisions	12,445.66	(4,010.31)		8,435.35
Fair value adjustment to Deferred credit	434.51	(120.62)		313.89
Sub total	**14,512.58**	**(3,785.36)**	**-**	**10,727.22**
Deferred Tax Liabilities pertaining to :				
Property plant and Equipment	4,279.41	(999.71)		3,279.70
Right of use asset		56.52		56.52
Intangible Assets	2,532.72	(950.38)		1,582.34
Fair value of investments				-
- Equity Shares in unlisted Company	74.12	4.35		78.47
- Mutual Funds	(0.00)	-		-
Fair value of Deferred Debt	448.97	(143.75)		305.22
Others	-			-
Sub total	**7,335.22**	**(2,032.97)**	**-**	**5,302.25**
Total	**7,177.36**	**(1,752.39)**	**-**	**5,424.97**

(₹ in lakh)

	PARTICULARS	As at March 31, 2020	As at March 31, 2019
30B	**Current Tax Assets and Liabilities**		
	Current Tax Assets	3,532.70	4,538.01
	Total Current Tax Assets	**3,532.70**	**4,538.01**
	Current Tax Liabilities	-	-
	Total Current Tax Liabilities	**-**	**-**
30C	**Tax Expense**		
	i) Recognised in the Statement of Profit and Loss		
	Current Tax		
	In respect of the current year	19,002.93	22,228.18
	In respect of prior years	-	(42.19)
	Total	**19,002.93**	**22,185.99**
	Deferred Tax		
	In respect of the current year	1,752.39	2,691.75
	Total	**1,752.39**	**2,691.75**
	ii) Recognised in Other comprehensive income		
	Current Tax		
	In respect of the current year	727.16	575.20
	Total	**727.16**	**575.20**

The Income Tax expense for the year can be reconciled to the accounting profit as follows (₹ in lakh)

	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
	Profit before tax from continuing operations	**74,245.40**	**67,136.46**
	Tax expense of amounts which are not deductible (taxable) in calculating taxable income		
	Income tax expense calculated at 25.168% (FY 2018-19 : 34.944%)	18,686.08	23,460.17
	Donations made during the year	0.13	0.87
	Amount towards CSR activities	377.18	564.68
	Interest due to MSME's	3.02	12.89
	Others	(871.00)	(1,484.92)
	Interest payable u/s 234A, 234B, 234C	25.76	-
	Tax expense of amounts on which deduction is available in calculating taxable income		
	Weighted deduction on research and development expenditure	-	(933.87)
	Donations u/s 80G made during the year	(209.40)	-
	Impact of deferred tax	1,752.39	2,691.75
	Adjustment for current tax of previous years		
	Adjustments recognised in the current year in relation to the earlier year AY 2014-15	-	0.72
	Adjustments recognised in the current year in relation to the earlier year AY 2015-16	-	(3.41)
	Adjustments recognised in the current year in relation to the earlier year AY 2016-17	-	(39.50)
	Adjustments recognised in the current year in relation to the earlier year AY 2017-18	264.00	-
	Adjustments recognised in the current year in relation to the deferred tax of prior years (change in tax rates)	-	33.16
	Income tax relating to items that will not be reclassified to profit/loss	727.16	575.20
	Income tax expense recognised in profit or loss	**20,755.32**	**24,877.74**
	Income tax recognised in Other comprehensive income	727.16	575.20
	Income tax recognised in Other comprehensive income	**727.16**	**575.20**

	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
31	**Revenue from Operations**		
	Sale of products		
	Finished Goods	280,485.00	266,467.48
	Spares	13,895.54	14,670.94
	Miscellaneous	1,454.55	1,445.50
	LD levied by Customers	(16,461.63)	(14,870.87)
		279,373.46	**267,713.05**
	Sale of services		
	Repairs and Overhauls	2,390.43	716.11
	Training	-	19.58
	Job Works	5,243.09	4,880.40
	Miscellaneous	12,233.34	9,838.39
	LD levied by Customers	(711.50)	(27.01)
		19,155.36	**15,427.47**
	Other operating revenue		
	Construction Contracts	-	-
	Sale of Scrap	58.02	34.24
	Deferred revenue on customer provided assets	1,306.84	1,311.05
	Other Claims	9,626.11	22,449.16
		10,990.97	**23,794.45**
	Total	**309,519.79**	**306,934.97**

- Refer note 39(5): Construction Contracts

- In recognition of revenue on certain sale transactions amounting to ₹ 23,351.89 lakhs the principle of Bill and hold was adopted whereas the respective sale contracts are on FOR-Destination basis. Such recognition has been made confirming to the parameters of the principle of Bill and Hold Sales. The relevant contracts have not been amended. The change was necessitated due to the inability to deliver the materials because of the general lockdown in force during the closing days of the financial year.
- Refer note 39(21): Disclosures under Ind AS 115.
- LD means Liquidated Damages

Significant judgement:

Revenue:

- The company recognizes revenue on the basis of percentage of completion method where the customer simultaneously receives the benefit.
- The percentage of completion is determined as proportion of cost incurred for the work performed up to the reporting date to the total estimated cost.
- An expected loss is recognized immediately when it is probable that the total cost will exceed the total revenue.

(₹in lakh)

	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
32	**Other Income**		
	Interest income on financial assets carried at amortised cost		
	Bank deposits	4,312.57	3,621.53
	Others	1,080.83	1,070.53
		5,393.40	**4,692.06**
	Other non-operating income		
	Liabilities no longer required, written back	250.03	1,241.76
	Provisions no longer required, written back	2,792.82	2,490.61
	Liquidated Damages recovered from suppliers	2,016.67	4,049.83
	Miscellaneous income (net)	352.24	495.57
		5,411.76	**8,277.77**
	Other gains and losses		
	Net foreign exchange gain / (Loss)	632.03	(271.36)
	Fair value gain/(loss) on financial assets measured at Fair value through profit and loss	161.28	148.92
	Gain on disposal of property, plant and equipment	(0.62)	4.86
	Gain on sale of Financial Assets Measured at Fair value through profit and loss	-	746.35
		792.69	**628.77**
	Total	**11,597.85**	**13,598.60**
33	**Cost of Materials consumed**		
	Cost of materials consumed	100,508.32	175,696.15
	Direct expenses	3,098.47	6,200.80
		103,606.79	**181,896.95**
34	**Changes in Inventories of Finished Goods and Work-in-progress**		
	Opening Stock:		
	Finished goods	40,606.29	626.02
	Work-in-progress	38,104.61	61,497.48
		78,710.90	**62,123.50**
	Closing Stock:		
	Finished goods	515.41	40,606.29
	Work-in-progress	27,829.16	38,104.61
		28,344.57	**78,710.90**
	Net (Increase) / Decrease	**50,366.33**	**(16,587.40)**
35	**Employee Benefits Expense**		
	Salaries and wages, including bonus	44,006.59	44,907.32
	Contribution to provident and other funds	7,258.69	6,215.23
	Staff welfare expenses	2,137.79	2,298.33
	Total	**53,403.07**	**53,420.88**
	Refer note 39(4): Employee Benefit obligations and 39(9): Related party transactions		
36	**Finance Costs**		
	Interest expense	326.55	284.05
	Other finance costs	139.02	139.02
	Total	**465.57**	**423.07**
	Refer Note 39(22): Implementation of Ind AS 116		
37	**Depreciation and Amortisation expense**		
	Depreciation of property, plant and equipment	6,355.09	**6,038.05**
	Depreciation of right of use asset	176.42	-
	Amortisation of intangible assets	3,112.33	2,212.16
	Total	**9,643.84**	**8,250.21**
	Refer Note 39(22): Implementation of Ind AS 116		

(₹in lakh)

	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
38	**Other Expenses**		
	Shop Supplies	415.67	441.30
	Power and Fuel	1,889.05	2,028.71
	Water Charges	458.94	575.42
	Travelling #	1,350.10	1,398.13
	Repairs:		
	Buildings	1,320.08	1,413.39
	Plant, Machinery and Equipment	993.52	990.73
	Furniture and Equipment	189.81	99.62
	Vehicles	14.53	11.55
	Others	64.23	57.36
	Vehicle Expenses - Petrol and Diesel	60.02	79.13
	Loose Tools and Equipment	164.25	149.13
	Insurance	416.29	590.46
	Rates and Taxes	419.48	541.41
	Postage, Telegrams, Telex and Telephones	234.43	143.34
	Printing and Stationery	90.99	149.75
	Publicity	599.53	367.08
	Advertisement	211.84	186.55
	Bank Charges	80.19	92.19
	Legal Expenses	7.43	6.35
	Donations	0.50	5.00
	Write off - Others	170.60	-
	Auditors' Remuneration: (refer note (i) below)	13.40	13.35
	Security Arrangements	4,008.49	3,894.68
	Computer Software and Development	-	0.05
	Entertainment	1.33	0.84
	Courtesy	-	151.52
	Sitting Fee paid to Directors	9.80	11.90
	Sitting Fee paid to Independent External Monitors	1.20	1.20
	CSR & Sustainable Development Expenditure	1,498.67	1,615.97
	Replacement and other charges, Warranty and Batch Rejections	892.74	726.28
	Redundancy Provision	1,031.37	15.36
	Provision for Future Charges	-	-
	Provision for Onerous Contract	-	466.40
	Provision Others	-	-
	Miscellaneous Operating Expenses:		
	Testing of Materials	4,898.21	3,821.38
	Proof Firing Expenses	757.10	206.79
	Manpower Hiring Charges	1,085.64	1,002.39
	Material Handling Charges	848.89	766.41
	Hiring of Vehicles	674.71	920.63
	Others	4,513.61	3,051.65
	Total	**29,386.64**	**25,993.40**
	# Includes Directors' Travelling Expenses	73.31	74.43
	Notes:		
	i) Auditors' Remuneration comprises Fee:		
	Particulars		
	For Statutory Audit	10.00	10.00
	For Tax Audit	0.70	0.70
	For other services	2.70	2.65
	Total Auditors' remuneration	**13.40**	**13.35**
	ii) Refer note 29: Current Provisions		
	iii) Refer note 39(6): Expenditure relating to Research and Development.		
	iv) Refer note 39(9): Related party transactions		
	v) Refer note 39(22): Implementation of Ind AS 116		

Note 39: General Notes:

Statement of Compliances:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) [as notified under the section 133 of Companies Act, 2013 (the "Act") read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

39(1) Offsetting Financial Assets and Financial Liabilities - Loans adjusted against Fixed Deposits

The following table presents the recognised financial instruments that are offset as at March 31 2020 and March 31 2019. The column "net amount" shows the impact on the Company's Balance Sheet if all offset rights are exercised. (₹in lakh)

PARTICULARS	Effects of offsetting on the Balance Sheet		
	Gross Amounts	Gross Amounts offset in the Balance Sheet	Net amount presented in the Balance Sheet
As on March 31, 2020			
Bank deposits other than margin money	36,600.00	-	36,600.00
Loan against Fixed deposits	-	-	-
As on March 31, 2019			
Bank deposits other than margin money	44,700.00	(9,265.40)	35,434.60
Loan against Fixed deposits of ₹ 10,400.00 lakhs	(9,265.40)	9,265.40	-

39(2) Offsetting Financial Assets and Financial Liabilities - Bank Flexi and Current Accounts adjusted against Bank Overdraft

The following table presents the recognised financial instruments that are offset as at March 31 2020, March 31 2019. The column "net amount" shown the impact on the Company's Balance Sheet if all offset rights are exercised.

PARTICULARS	Effects of offsetting on the Balance Sheet		
	Gross Amounts	Gross Amounts offset in the Balance Sheet	Net amount presented in the Balance Sheet
As on March 31, 2020			
Bank overdraft	(219.73)	3.10	(216.63)
Flexi and current accounts with banks	3.10	(3.10)	-
As on March 31, 2019			
Bank overdraft	(1,170.55)	989.00	(181.55)
Flexi and current accounts with banks	989.00	(989.00)	-

39(3) Earnings per share

(i) For continuing operations:

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax	53,490.08	42,258.72
Basic:		
Number of shares outstanding at the end of the year	183,281,250	183,281,250
Weighted average number of equity shares	183,281,250	183,281,250
Earnings per share (INR)	29.18	23.06
Diluted:		
Effect of potential equity shares on employee stock options outstanding	-	-
Weighted average number of equity shares outstanding	183,281,250	183,281,250
Earnings per share (INR)	29.18	23.06
Note: EPS is calculated based on profits excluding the other comprehensive income.		

(ii) For discontinuing operations:

There are no discontinuing operations.

(iii) For continuing and discontinuing operations:

Refer to the table (i)

39(4) Employment Benefit obligations

(i) Post-employment obligations- Gratuity

The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day's salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Gratuity

Changes in the Present value of Obligation (₹ in lakh)

PARTICULARS	March 31, 2020	March 31, 2019
Present value of Obligation at the begining of the year	20,513.13	18,553.90
Current service cost	637.75	640.80
Interest expense or cost	1,529.52	1,414.62
Remeasurements		
(Gain)/loss from change in demographic assumptions	19.40	135.80
(Gain)/loss from change in financial assumptions	1,299.56	268.63
Experience (gains)/loss	420.63	1,241.62
Benefit paid	(1,554.90)	(1,742.24)
Present value of Obligation at the end of the year	**22,865.09**	**20,513.13**

Changes in the Fair value of Plan Assets (₹ in lakh)

PARTICULARS	March 31, 2020	March 31, 2019
Fair value of Plan Assets at the begining of the year	17,981.32	12,819.93
Interest income	1,431.41	1,169.66
Employer contributions	2,531.82	5,733.97
Benefit payments	(1,554.90)	(1,742.24)
Remeasurements - Return on Assets (Excluding Interest Income)	(1,149.64)	
Fair value of Plan Assets at the end of the year	**19,240.01**	**17,981.32**

Expenses recognised during the period

PARTICULARS	March 31, 2020	March 31, 2019
In the Statement of Profit and Loss	735.86	885.76
In Other Comprehensive Income	2,889.22	1,646.05
Total	**3,625.08**	**2,531.81**

The net liability disclosed above relates to funded and unfunded plans are as follows:

PARTICULARS	March 31, 2020	March 31, 2019
Present value of funded obligations	22,865.09	20,513.13
Fair value of plan assets	19,240.01	17,981.32
Deficit of funded plans	**3,625.08**	**2,531.81**

The significant actuarial assumptions were as follows:

PARTICULARS	March 31, 2020	March 31, 2019
Discount rate	6.61%	7.75%
Salary escalation	6.00%	6.00%
Attrition rate	2.77%	2.63%

Sensitivity analysis

PARTICULARS	March 31, 2020	March 31, 2019
Defined Benefit Obligation	22,865.09	20,513.13
Discount rate:(% change compared to base due to sensitivity)		
Increase : +1%	21,717.26	19,476.53
Decrease: -1%	24,138.19	21,657.14
Salary Growth rate:(% change compared to base due to sensitivity)		
Increase : +1%	23,536.40	21,182.08
Decrease: -1%	22,170.27	19,807.01
Attrition rate: (% change compared to base due to sensitivity)		
Increase : +1%	22,998.43	20,687.20
Decrease: -1%	22,722.32	20,325.10

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The major categories of plans assets are as follows: (₹ in lakh)

PARTICULARS	March 31, 2020	March 31, 2019
Central government security	4,727.89	4,418.59
State government security	8,170.96	7,636.42
NCD/ Bonds	4,282.51	4,002.34
Equity	1,238.93	1,157.88
Fixed deposit	65.09	60.83
CBLO	551.07	515.02
Loans	2.72	2.54
Other approved security	200.82	187.68
	19,240.01	**17,981.32**

Defined benefit liability and employer contributions

The Company has purchased insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company. The company considers that the contribution rate set at the last valuation date is sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The expected cash flows over the next years is as follows: (₹ in lakh)

Particulars	Less than a year	Between 2-3 years	Between 4-5 years	Total
31-Mar-20				
Defined benefit obligation-gratuity	2,617.24	5,577.82	6,182.36	14,377.42

Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(ii) Provident Fund

Provident Fund Trust of the Company has to declare interest on Provident Fund at a rate not less than that declared by the Employees' Provident Fund Organisation. In case the Trust is not able to meet the interest liability, Company has to make good the shortfall. This is a defined benefit plan and the Company has got the same acturially valued and there is no additional liability that needs to be provided for the year :

Acturial Assumptions	March 31, 2020	March 31, 2019
	(Funded)	(Funded)
Discount rate	6.61%	7.50%
Rate of escalation in salary	6.00%	6.00%
Interest Rate Guarantee on Provident Fund	*	8.65%
Interest Rate declared by BDL PF Trust	*	8.67%

* Yet to be notified

(iii) Compensated absences

The leave obligations cover the company's liability for earned leave.

The company maintains a funded plan for the purpose of compensated absences. The company recognises the obligations net of planned assets as per the actuarial valuation. A summary of employee benefit obligation and planned assets is presented below:

Particulars	March 31, 2020	March 31,2019
The Actuarial Liability of Accumulated absences of the employees of the Company	13896.43	12348.28
Less: Plan assets	12477.86	9550.37
Net obligation	1418.57	2797.91
Significant assumptions:		
Discounting Rate	6.61% P.A.	7.75% P.A.
Salary escalation Rate	6.00%	6.00%
Retirement Age	60 YEARS	60 YEARS

(iv) Post Retirement Medical Scheme (₹ in lakh)

Particulars	March 31, 2020	March 31,2019
a) Contributions made to Post Superannuation Medical Benefits for the Executives retired after 01 Jan 2007- PSMB-II	316.30	284.74
b) Contributions made to Post Superannuation Medical Benefits for the Non-Executives retired after 01 Jan 2007-PSMB-III	426.29	410.27
c) Contributions made towards old scheme of Retired Employees Medical Insurance (REMI)	-	-

39(5) Construction contracts:

Following disclosures are made relating to Revenue Recognition of Construction Contracts.

Methods of recognising contract revenue:

Percentage of completion method is used to determine the contract revenue recognised in the period.

Method used to determine stage of completion of contract:

Proportion of contract costs incurred for work performed to the estimated total cost of contracts is used to determine the stage of completion. (₹ in lakh)

Particulars	March 31, 2020	March 31,2019
Contract Revenue recognised during the year	-	-
Aggregate amount of cost incurred	41,436.11	41,158.14
Profit Recognised	4,176.39	4,454.38
Amount of retention money due	-	-
Amount of Advance received and outstanding	3335.21	3335.21

39(6) Expenditure relating to Research and Development:

Expenditure relating to Research and Development including product improvement financed by the Company during the year charged to natural heads of account : (₹ in lakh)

Particulars	March 31, 2020	March 31,2019
Being in the nature of Revenue expenditure	7004.65	4991.36
Being in the nature of Capital expenditure (Assets Capitalised)	382.01	353.58

39(7)Contingent Liabilities & Contractual Commitments: (₹ in lakh)

Contingent Liabilities Not Provided for:	March 31, 2020	March 31,2019
Outstanding Letters of Credit and Guarantees:		
(i) Letters of Credit	844.45	360.08
(ii) Guarantees and Counter Guarantees	2,343.16	5,564.24
Total	**3,187.61**	**5,924.32**
Claims / Demands against the Company not acknowledged as Debt:		
(i) PSUs	-	-
(ii) Sales Tax	21,439.30	20,829.42
(iii) Service Tax	4,239.31	1,177.75
(iv) Income Tax	1,140.26	-
(v) Others	193.35	178.06
Total	**27,012.22**	**22,185.23**
Contractual Commitments:		
(A) Estimated amount of contracts remaining to be executed on Capital Account and not provided for, is		
(i) Property, Plant & Equipment	5,904.04	1,375.42
(ii) Investment Property	-	-
(iii) Intangible Assets	71.98	-
(B) Contractual Commitment towards LD for the deliverables due at the end of the year will be accounted as and when corresponding revenue is recognised.	6,092.38	22,694.98
Total	**12,068.40**	**24,070.40**

39(8) Details of short closed projects:

Out of the advances of ₹ 36243.36 Lakh (as at March 31,2019 ₹ 36450.36 Lakh) received from the customers, in respect of five contracts/ indents and one LOI which are short closed, the Company has made payments to suppliers for procurement of Special Tools and Equipment and Inventory. Against these payments, Special Tools and Equipment (Note 1) include an amount of ₹ 114.05 Lakh (as at March 31,2019 ₹ 114.05 Lakh), Current Assets (Note 11-17) comprises an amount of ₹ 13314.42 Lakh (as at March 31,2019 ₹ 12694.40 Lakh) which includes an amount of ₹ 620.02 lakh (₹ 1422.76 Lakh in 2018-19) paid to vendors during the year in Advances to vendors and ₹ 7855.89 Lakh (as at March 31,2019 ₹ 7880.32 Lakh) in Inventories, total amounting to ₹ 21284.36 Lakh (as at March 31,2019 ₹ 20688.77 Lakh). As these assets had been acquired/expenditure had been incurred by the company based on firm orders/ LOI and out of the funds provided by the customer, no loss devolves on the company on account of long outstanding advances and non-moving Special Tools and Inventory. Hence, no provision is considered necessary. Further, in respect of these short closed Indents/contracts/LOI, the company approached the customers for compensation of ₹ 5866.37 lakh(as at March 31,2019 ₹ 6072.67 lakh) being the net amount of expenditure after adjustment of the available advance. Hence, for want of finalisation of the amount from the Government/ Customers, no claim/ impact on profit has been accounted in the books.

39(9) Related party transactions

Name of Key managerial personnel

Shri Cmde Siddharth Mishra (Retd) (wef 01 Mar 2019)	Shri K Divakar, Dir (Technical) (upto 31 Aug 2018)
Shri V Udaya Bhaskar, CMD (upto 28 Feb 2019)	Shri N P Diwakar , Dir (Technical) (wef 01 Sept 2018)
Shri S Piram anayagam, Dir (Finance)	Shri P Radha Krishna, Dir (Production) (wef 01 June 2019)
Shri V Gurudatta Prasad, Dir (Production) (upto 31 May 2019)	Shri K S Sampath, Independent Director
Smt Latha Narasimhamurthy, Independent Director	Shri Ajay Nath, Independent Director
Smt Sushama V Dabak, Independent Director (upto 30 Nov 2019)	Prof. Ajay Pandey, Independent Director (upto 30 Nov 2019)
Shri N Nagaraja, Company Secretary	

(₹ in lakh)

Key management personnel compensation	March 31, 2020	March 31, 2019
Short - term employee benefits	201.53	264.51
Post - employment benefits	30.62	40.34
Long - term employee benefits	-	-
Sitting fee to Independent Directors	9.80	11.90
Total compensation	**241.95**	**316.75**

39(10) Capital Management

a) Risk management:

The Company has equity capital and other reserves attributable to shareholders as only source of capital and the company doesn't have borrowings or debts other than overdraft amount of ₹ 216.63 Lakh (₹ 181.55 Lakh as on 31.03.2019)

b) Dividends (₹ in lakh)

Particulars	March 31, 2020	March 31, 2019
(i) Interim dividend for the year ended March 31, 2020 of ₹ 6.25 (March 31,2019 of ₹ 5.25) per fully paid equity share	11,455.08	9,622.27
(ii) Dividends not recognised at the end of reporting period: As at the year end March 31, 2020 the directors have recommended the payment of a final dividend of ₹ 2.55 per fully paid equity share (March 31, 2019 : ₹1.67). The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting"	4,673.67	3,060.80

Events occurring after the reporting period:

Refer above note for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

39(11) Confirmation of Balances:

Letters requesting Confirmation of Balances have been sent in respect of Debtors, Creditors, Claims Receivable, Materials with Contractors / Sub-Contractors, Advances, Deposits and others. Based on the replies wherever received, reconciliations / provisions / adjustments are made as considered necessary.

39(12) Retention Sales:

The value of the retention sales (i.e., goods retained with the company at the customers' request and at their risk) included in gross turnover during the year is ₹ 1,61,566.40 lakh (₹ 1,52,530.70 lakh during the year 2018-19)

39(13) Charges registered:

Company has registered floating charge with State Bank of India and Andhra Bank to the extent of ₹ 41,010.00 lakh (as at March 31,2019 ₹ 41010.00 lakh) on book debts.

39(14) Operating Cycle:

As per the requirement of Schedule III to the Companies Act, 2013, the operating cycle has been determined at the product level as applicable.

39(15) Contingent Assets:

Particulars	March 31, 2020	March 31, 2019
Contingent Assets	-	-

39(16) Fair Value Measurement (₹ in lakh)

	Particulars	Fair value hierarchy Level	Notes	As at March 31, 2020			As at March 31, 2019		
				Cost	Amortised Cost	FVTPL	Cost	Amortised Cost	FVTPL
A.	**Financial Assets**								
a)	**Measured at amortised cost**								
	i) Cash and cash equivalents	3	13	29,749.47	29,749.47	-	1,697.07	1,697.07	
	ii) Other bank balances	3	14	36,600.00	36,600.00	-	35,434.60	35,434.60	
	iii) Loans	3	8, 15	537.31	537.31	-	543.85	543.85	
	iv) Other financial assets	3	9, 16	242,019.68	242,019.68	-	131,871.36	131,871.36	
	v) Trade receivables	3	12	33,836.80	33,836.80	-	58,720.51	58,720.51	
	Sub - total			**342,743.26**	**342,743.26**	**-**	**228,267.39**	**228,267.39**	**-**
b)	**Mandatorily measured at fair value through profit or loss**								
	i) Investment in equity instruments in other companies	3	7	53.60	-	390.43	53.60		371.74
	ii) Deferred receivable	3	9, 16	3233.28	-	4,762.83	3,423.48		5,043.78
	Sub - total			**3,286.88**	**-**	**5,153.26**	**3,477.08**	**-**	**5,415.52**
	Total Financial Assets			**346,030.14**	**342,743.26**	**5,153.26**	**231,744.47**	**228,267.39**	**5,415.52**
B.	**Financial Liabilities**								
a)	**Measured at amortised cost**								
	i) Trade payables	3	25	34,548.53	34,548.53	-	51,945.72	51,945.72	
	ii) Lease liabilities	3	20, 26	877.29	877.29				
	iii) Other financial liabilities	3	21, 27	17,981.03	17,981.03	-	13,819.81	13,819.81	
	Sub - total			**53,406.85**	**53,406.85**	**-**	**65,765.53**	**65,765.53**	**-**
b)	**Mandatorily measured at fair value through profit or loss**								
	i) Embedded Derivative financial liability	3	21,27	-	-	3,113.97	-		3,276.10
	Sub - total			**-**	**-**	**3,113.97**	**-**	**-**	**3,276.10**
	Total Financial Liabilities			**53,406.85**	**53,406.85**	**3,113.97**	**65,765.53**	**65,765.53**	**3,276.10**

Fair Value Hierarchy

The following table presents the fair value hierarchy of assets and liabilities: (₹ in lakh)

Particulars	Level	March 31, 2020	March 31, 2019
Financial Assets:			
a) Measured at fair value through profit or loss			
i) Investment in equity instruments in other companies	3	390.43	371.74
ii) Deferred receivable	3	4,762.83	5,043.78
Financial liabilities:			
a) Measured at fair value through profit or loss			
i)Embedded Derivative financial liability	3	3,113.97	3,276.10

Fair value hierarchy:

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

The fair value of unquoted equity instrument are determined with respect to the net worth of the company.

The fair value of 45 years deferred credit and receivables is determined using foreign exchange rates as per the contract.

The resulting fair value estimates are included in level 3.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended 31 March 2020: (₹ in lakh)

Particulars	Unlisted equity shares	Deferred receivable	Embedded derivative liability
As at 31 March 2019	371.74	5,043.78	3,276.10
Gain/loss recognised in profit and loss	18.69	(280.95)	(162.13)
As at 31 March 2020	390.43	4,762.83	3,113.97

Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value as at		Significant unobservable inputs	Sensitivity
	March 31, 2020	March 31,2019		
Unquoted equity shares	390.43	371.74	Fair value of the company	A 1% increase in the fair value of the company would increase the non current investment by ₹ 3.90 lakh with a corresponding impact on profit and loss; a decrease in the fair value of the company would decrease the non current investment by ₹ 3.90 lakh with a corresponding impact on profit and loss.
Deferred receivable	4,762.83	5,043.78	Rupee rate per Special Drawings Right (SDR Unit)	A ₹ 1 increase in the SDR rate would increase the fair value by ₹ 64.92 lakh with a corresponding impact on profit and loss; a ₹ 1 decrease in SDR rate would decrease the fair value by ₹ 64.92 lakh with a corresponding impact on profit and loss.
Embedded derivative liability	3,113.97	3,276.10	Rupee rate per Special Drawings Right (SDR Unit)	A ₹ 1 increase in the SDR rate would increase the fair value by ₹ 66.77 lakh with a corresponding impact on profit and loss; a ₹ 1 decrease in SDR rate would decrease the fair value by ₹ 66.77 lakh with a corresponding impact on profit and loss.

39(17) Financial Risk Management:

The Company's activities expose it to market risk, liquidity risk and credit risk. The analysis of each risk is as follows:

A) Credit risk

Credit risk arises from cash and cash equivalents, instruments carried at amortised cost and deposits with banks, as well as credit exposures to customers including outstanding receivables.

(i) Credit risk management

A. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external agencies. "

B. Credit risk on claims/refunds receivables, trade receivables and unbilled revenues are evaluated as follows:

(i) Year ended March 31, 2020:

(a) Expected credit loss for financial assets where general model is applied (₹ in lakh)

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition	Claims/ refunds receivable	5608.97	0.38%	(21.47)	5,587.50
- Loss allowance measured at 12 month expected credit losses	Loans	537.31	-	-	537.31

(b) Expected credit loss for trade receivables and unbilled revenue under simplified approach

Particulars	Less than or equal to 6 months	More than 6 months	Total
Gross carrying amount	259928.55	7441.08	267369.63
Expected credit loss rate	0%	0%	0%
Expected credit loss (loss allowance provision)	-	-	-
Carrying amount of trade receivables	259928.55	7441.08	267369.63

(ii) Year ended March 31, 2019:

(a) Expected credit loss for financial assets where general model is applied (₹ in lakh)

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit loss	Carrying amount net of provision
Financial assets for which credit risk has not increased significantly since initial recognition	Claims/ refunds receivable	5238.62	0.41%	(21.47)	5,217.15
-Loss allowance measured at 12 month expected credit losses	Loans	543.85	-	-	543.85

(b) Expected credit loss for trade receivables and unbilled revenue under simplified approach

Particulars	Less than or equal to 6 months	More than 6 months	Total
Gross carrying amount	172737.97	11714.69	184452.66
Expected credit loss rate	0%	0%	0%
Expected credit loss (loss allowance provision)	-	-	-
Carrying amount of trade receivables	172737.97	11714.69	184452.66

(iii) Reconciliation of loss allowance: (₹ in lakh)

Particulars	Trade receivables and unbilled revenue	Claims/refunds receivable
Loss allowance as at March 31, 2019	-	(21.47)
Add/less	-	-
Loss allowance as at March 31, 2020	-	(21.47)

(iv) Significant estimates and judgements:

Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	March 31, 2020	March 31, 2019
Expiring within one year (bank overdraft and other facilities)	1283.37	1318.45

(ii) Maturities of financial liabilities

The company has access to the following undrawn borrowing facilities at the end of the reporting period:

Contractual maturities of financial liabilities as at March 31, 2020	Less than 12 months	Between 1 and 2 years	Between 2 year and 5 years	Above 5 years	Total
Non-derivative					
Lease liabilities	106.10	118.48	441.21	211.50	877.29
Deferred Credit towards 45 years Component	195.60	181.11	466.73	940.72	1784.15
Deposits	1170.27	-	-	-	1170.27
Creditors for expenses	6398.85	-	-	-	6398.85
Employee benefits payable	6966.47	-	-	-	6966.47
Others	320.21	-	-	-	320.21
Capital works	1341.09	-	-	-	1341.09
Derivative					
Embedded derivative liability (Deferred liability)	357.73	162.14	486.42	2107.82	3114.11

(₹ in lakh)

Contractual maturities of financial liabilities as at March 31, 2019	Less than 12 months	Between 1 and 2 years	Between 2 year and 5 years	Above 5 years	Total
Non-derivative					
Deferred Credit towards 45 years Component	195.60	181.11	466.73	989.66	1833.10
Deposits	1245.53	-	-	-	1245.53
Creditors for expenses	3394.60	-	-	-	3394.60
Employee benefits payable	5135.84	-	-	-	5135.84
Others	675.72	-	-	-	675.72
Capital works	1535.03	-	-	-	1535.03
Derivative					
Embedded derivative liability (Deferred liability)	357.73	162.14	486.42	2269.86	3276.15

C) Market risk

(i) Foreign currency risk

The company operates in a business that exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, Euro, GBP, CHF and SEK. Foreign exchange risk arises from future commercial transactions and recognised liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. As per the sales contract, the company is eligible for exchange rate variation upon settlement of foreign exchange liabilities. Hence, the company is protected against the foreign currency risk.

Particulars	March 31, 2020				
	USD	EURO	GBP	CHF	SEK
Foreign currency liabilities					
-Payables	4.43	0.27	-	0.04	-
Foreign currency assets					
-Receivables	42.74	-	-	-	-
Net Exposure	(38.31)	0.27	-	0.04	-

Particulars	March 31, 2019				
	USD	EURO	GBP	CHF	SEK
Foreign currency liabilities					
- Payables	165.33	3.77	0.02	-	9.37
Foreign currency assets					
- Receivables	-	-	-	-	-
Net Exposure	165.33	3.77	0.02	-	9.37

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

Particulars	Impact on Profit	
	March 31, 2020	March 31, 2019
Sensitivity		
INR/USD – Increase by 1%	(27.88)	115.80
INR/USD – Decrease by 1%	27.88	(115.80)
INR/EURO – Increase by 1%	0.23	2.96
INR/EURO – Decrease by 1%	(0.23)	(2.96)
INR/GBP – Increase by 1%	-	0.01
INR/GBP – Decrease by 1%	-	(0.01)
INR/CHF – Increase by 1%	0.03	-
INR/CHF – Decrease by 1%	(0.03)	-
INR/SEK – Increase by 1%	-	0.71
INR/SEK – Decrease by 1%	-	(0.71)

39(18) Segment information:

As the Company is engaged in defence production, exemption was granted from applicability of Accounting standard on Segment reporting under Sec 129 of Companies Act 2013 vide Notification dated 23rd February 2018 of Ministry of Corporate Affairs.

39(19) Foreign Exchange Exposure:

Pursuant to the announcement of ICAI requiring the disclosure of "Foreign Exchange Exposure", the major currency-wise exposure as on 31 March 2020 (As at 31 March,2019 are shown in brackets) given below. (₹ in lakh)

Currency	Payables		Receivables		Contingent Liability	
	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent
USD	4.43	336.78	42.74	3,124.48	0.25	18.70
	(165.33)	(11,579.62)	-	-	(0.79)	(55.10)
EURO	0.27	22.95	-	-	9.52	801.39
	(3.77)	(296.39)	-	-	(3.57)	(280.63)
GBP	-	-	-	-	-	-
	(0.02)	(1.46)	-	-	-	-
CHF	0.04	3.40	-	-	-	-
	-	-	-	-	-	-
SEK	-	0.00	-	-	-	-
	(9.37)	(70.55)	-	-	-	-
Total (₹)		**363.13**		**3124.48**		**820.09**
		(11,948.02)		**-**		**(335.73)**

39(20) a) BDL has implemented 5 MW solar plant as per the MNRE's notified guildelines vide No. 30/69/2013-14/nsm (Pt.) dated 7th Jan 2015 including its ammendments and clarifications for implementing of scheme for setting up over 300MW grid-connected & off grid solar PV projects by defence establishments under Minstry of defence & Para military forces (under MHA) with Viability Gap Funding (VGF) under Phase II/III of Jawahar Lal Nehru National Solar Mission (JNNSM).VGF under JNNSM is accounted based on receipt and on due basis upon achieving milestones. The VGF fund accounted based on project cost as per the contract.It is being maintained under Deferred Revenue in compliance with the laid down conditions of the scheme. So far VGF in the books of BDL(Bhanur) is ₹ 995.89 lakhs. Defferred revenue @4%PA of VGF value is accounted under Deffered Revenue-Solar Plant, with effect from Sep'2017 and for the current year ₹ 39.83 Lakhs is accounted proportionately.

b) 5 MW Solar plant is in work in progress at Ibrahimpatnam Unit, Hyderabad initiated under Jawahar Lal Nehru National Solar Mission (JNNSM) scheme. As per JNNSM scheme, company is eligible for Viability Gap Fund (VGF) for commissioning of solar plant. The VGF fund is accounted based on project cost as per the contract. It is being maintained under Deferred Revenue in compliance with the laid down conditions of the scheme. So far VGF amount of ₹ 550.00 lakhs is accounted in the books of BDL(Ibrahimpatnam). Deferred Revenue will be recognized after capitalisation.

39(21) Disclosures under Ind AS 115: Revenue from contracts with customers

A Satisfaction of performance obligation

i In majority of the contract performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining control of the asset. Performance obligation in respect of contract involving supply , Installation and commissioning of complex system is recognised "over a period of time"

ii. Under "Bill and hold" arrangement performance obligation is satisfied on unconditional appropriation of the goods to the contract on acceptance by the customer

iii. Company's Contract normally do not contain significant financial component and any advance payment received and /or amount retained by customer is with intention of protecting either parties to the contract.

iv. Variable consideration primarily consist of amount receivable/reimburseable against foreign exchange variation clause and liquidated damages. The amount of revenue recognised in respect of the same is determined based on the methodology specified in the contract . The amount is recognised as revenue based on contrtactual terms.

v. The company's turnover mainly includes supply of missiles and allied defence equipments.

vi Warranties provided are primarily in the nature of performance warranty.

vii. The company normally uses the input method to recognise revenue is respect of contracts in which performance obligation are satisfied over a period of time. For arriving at the quantum of revenue to be recognised the percentage of completion method is adopted where in the percentage of actual cost incurred to total estimated cost is applied to the contract price for arriving at the quantum of revenue to be recognised. The company's contract (other than AMC) in respect of which revenue is recognised over a period of time typically involves multiple activities of different nature like construction of building, supply and installation of equipments etc. Due to this it is not possible to quantify in physical terms the quantum of work done (i.e., output) reliably . Where as, under input method , the cost incurred in respect of these varied activities can be captured and compared to the total estimated cost to be incurred (which can be estimated reliably) , for arriving at the percentage of completion. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation .

viii. For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether customer has obtained "Control on asset

- Terms of delivery as per the contract
- Customer has legal title to the asset
- The entity has transferred physical possession of the asset
- Customer has accepted the asset
- Entity has the present right to payment for the asset

ix. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligations is based on relative standalone selling price which is arrived at based on the latest contract available for similar item sold.

B Break up of revenue recognised against contracts with customers (₹ in lakh)

Particulars	Govt of India	Channel Partner (For Exports)	Others	Total
For the year ended March 31, 2020				
Sale of Products	259,759.83	16,132.59	3,481.04	**279,373.46**
Sale of Services	18,215.71	938.84	0.97	**19,155.52**
Total	**277,975.54**	**17,071.43**	3,482.01	**298,528.98**
For the year ended March 31, 2019				
Sale of Products	255,225.47	6,646.97	5,840.61	**267,713.05**
Sale of Services	15,325.59		101.88	**15,427.47**
Total	**270,551.06**	**6,646.97**	**5942.49**	**283,140.52**

C Movement of Contract Assets and Contract Liabilities (₹ in lakh)

Particulars	Contract Assets		Contract Liabilities	
	As at March 31, 2020	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
Opening Balance (A)	**131,860.15**	**149,974.11**	**196,046.39**	**211,470.15**
Additions				
Against Sales recognised during the year	134,339.48	61,321.20		
Receipt of advance from Customer during the year			168,270.44	235,997.80
Change in transaction price recognised during/previous year				
Others (if any)	24,368.68	32,949.51	74.74	772.79
Total - (B)	**158,708.16**	**94,270.71**	**168,345.18**	**236,770.59**
Deductions				
Contract liability adjusted against- Revenue recognised during the year out of Opening balance			114008.92	52,369.90
Contract liability adjusted against- Revenue recognised during the year out of Current year balance			57412.16	196,910.40
Conversion of Contract Asset to Trade receivable	54894.83	86,073.38		
Impairment of Contract Asset if any*				
Write back of Contract Liability if any				
Change in transaction price recognised during/previous year				
Others (if any)	2140.65	26,311.29	3,250.76	2,914.05
Total - (C)	**57,035.48**	**112,384.67**	**174,671.84**	**252,194.35**
Grand Total (Closing Balance) D = (A+B-C)	**233,532.83**	**131,860.15**	**189,719.73**	**196,046.39**

*Impairment is tested as per the accounting policy 15. The company has assessed that there are no indicators of impairment.

Advance received from customer are classified as contract liability and Progressively adjusted on completion of performance obligation. Balance amount receivable after adjusting advance is classified as Trade Receivable.

Amount with held by customer in respect to completed Performance obligation due to linking of payment with completion of other Performance obligations in the contract is classified as Contract Asset.

D.Value of remaining Performance Obligations

Unrecognised revenue from contracts with customer which are partially satisfied or unsatisfied (₹ in lakh)

Particulars	Total Amount	Within a Year	1 - 2 Years	2 - 3 Years	More than 3 Year
Unexecuted order value as on 31.03.2020*	741,292.00	298,800.00	217,992.00	158,400.00	66,100.00

*The amount is subject to LD of ₹ 6092.38 lakh

E Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price (₹ in lakh)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
Revenue as per Statement of P&L Account				
Sale from Products	279,373.46		267,713.05	
Sale of Services	19,155.52		15,427.47	
Total (a)		**298,528.98**		**283,140.52**
Add/ Less adjustment to contract price				
FE variation claim	(3,607.35)		(3,389.67)	
Incentives , performance bonus received	-		-	
Discount , rebate offered	-		-	
Price concession offered	-		-	
LD levied by customers	17,173.13		14,897.88	
Others if any	9,586.27		22,330.95	
Total adjustment (b)		**23,152.05**		**33,839.16**
Contract price (a + b)		**321,681.03**		**316,979.68**

F Movement of Trade Receivable for 2019-20 (₹in lakh)

Particulars	Sales from Products	Income from Service	Total
Opening Balance Net Debtors (A)	**48,954.60**	**3,637.91**	**52,592.51**
Additions			
Against Sales recognised during the year	199,793.92	18,407.75	218,201.67
Conversion of Contract Asset to Trade receivable	52,117.82	2,777.01	54,894.83
Change in transaction price recognised during/previous year	-	-	-
Others (if any)	924.80	93.16	1,017.96
Total - (B)	**252,836.54**	**21,277.92**	**274,114.47**
Deductions			
Collection made during the years	109,444.99	7,157.07	116,602.06
Advance adjusted during the year out of revenue recognised	159,992.00	11,429.08	171,421.08
Impairment of Debtors (Provisions)*			-
Change in transaction price recognised during/previous year			-
Others (if any)	4,624.02	223.02	4,847.04
Total -(C)	**274,061.01**	**18,809.17**	**292,870.17**
Grand Total (Closing Balance) D = (A+B-C)	**27,730.13**	**6,106.67**	**33,836.80**

Movement of Trade Receivable for 2018-19

Particulars	Sales from Products	Income from Service	Total
Opening Balance Net Debtors (A)	**64,827.83**	**6,011.52**	**70,839.35**
Additions			
Against Sales recognised during the year	270,205.71	4,855.71	275,061.42
Conversion of Contract Asset to Trade receivable	86,073.38	-	86,073.38
Change in transaction price recognised during/previous year	-	467.51	467.51
Others (if any)	21,617.38	-	21,617.38
Total - (B)	**377,896.47**	**5,323.22**	**383,219.69**
Deductions			
Collection made during the years	129,613.00	6,978.98	136,591.98
Advance adjusted during the year out of revenue recognised	248,600.87	679.43	249,280.30
Impairment of Debtors (Provisions)*	-	-	-
Change in transaction price recognised during/previous year	-	-	-
Others (if any)	**15,555.83**	**38.42**	**15,594.25**
Total -(C)	**393,769.70**	**7,696.83**	**401,466.53**
Grand Total (Closing Balance) D = (A+B-C)	**48,954.60**	**3,637.91**	**52,592.51**

***Impairment is test as per accounting policy 15. The Company has assessed that there are no indicators of impairment.**

G Payment Terms from the customer comprises of advances and stage payments which differs from contract to contract.

39(22) Implementation of Ind AS 116

Leases:

- Effective April 1,2019, the Company has adopted Ind AS 116 “Leases” and applied to all lease contracts existing on the date of initial application using the modified retrospective method. Comparative information is not restated.
- The lease liability is measured based on remaining lease payments as on the date of initial application (1st April 2019). Provision for asset retirement obligation is estimated dismantling cost. The carrying amount of the ROU asset is an amount equal to lease liability on the date of initial application and asset retirement obligation, if any.

Impact on adoption of Ind AS 116: (₹ in lakh)

Balance Sheet (extract) as at 31 March 2020	Note No.	March 31 2020 without adoption of Ind AS 116	Incease/(Decrease)	March 31 2020 as reported
Assets				
Property, Plant and Equipment	1	78,597.08	(3,291.92)	75,305.16
Right of use assets	4	-	4,151.45	4,151.45
Deferred tax assets	30A	5,413.17	11.80	5,424.97
Total Assets		**84,010.25**	**871.33**	**84,881.58**
Liabilities				
Lease Liabilities	20, 26	-	877.29	877.29
Provisions	22	-	29.13	29.13
Total Liabilities		**-**	**906.42**	**906.42**
Net assets		**84,010.25**	**(35.09)**	**83,975.16**
Equity				
Other Equity	19	242,389.94	(35.09)	242,354.85
Total Equity		**242,389.94**	**(35.09)**	**242,354.85**

(₹in lakh)

Statement of Profit and Loss (extract) for the year ended 31 March 2020	Note No.	March 31 2020 without adoption of Ind AS 116	Incease/(Decrease)	March 31 2020 as reported
Expenses				
Finance Costs	36	388.98	76.59	465.57
Depreciation and Amortisation expense	37	9,504.47	139.37	9,643.84
Other Expenses	38	29,555.71	(169.07)	29,386.64
Total Expenses		**39,449.16**	**46.89**	**39,496.05**
Profit before tax		74,292.29	(46.89)	74,245.40
Deferred Tax	30C	**1,764.19**	**(11.80)**	**1,752.39**
Profit/ (Loss) for the year		**53,525.17**	**(35.09)**	**53,490.08**

39(23) Previous year figures have been regrouped or rearranged wherever necessary. Negative figures are indicated in parenthesis. Significant Accounting Policies and accompanying Notes form an integral part of the Financial Statements

As per our report of even date.

For G Natesan & Co.,
Chartered Accountants
Firm's Registration No.002424S

For and on behalf of the Board

K Murali
Partner
(M.No.024842)

S.PIRAMANAYAGAM
Director (Finance)
DIN: 07117827

Cmde SIDDHARTH MISHRA (Retd)
Chairman and Managing Director
DIN: 08367035

Place: Hyderabad
Date : 29.06.2020

Place: Hyderabad
Date : 29.06.2020

N.NAGARAJA
Company Secretary
(M.No. A19015)