Notes to the Standalone Financial Statements

Note 1

A. Corporate Information

BMW Industries Limited ('the Company'), a public limited company, is incorporated at Kolkata, in the State of West Bengal. The corporate office as well as registered office of the Company is situated at 119 Park Street, White House, 3rd Floor, Kolkata, West Bengal- 700016. The Company is primarily engaged into manufacturing, processing and selling of steel products comprising of engineering and other products and services and activities related to the same. The Company's shares are listed on The Calcutta Stock Exchange Limited (CSE) and The Bombay Stock Exchange Limited (BSE).

The Standalone financial statements for the year ended March 31, 2019 were approved for issue by the Board of Directors of the company on May 30, 2019 and are subject to the adoption by the Shareholders in the ensuing Annual General Meeting.

B. Statement of Compliance and Recent Accounting Pronouncements

i) Statement of Compliance

These Standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 to the extent notified and applicable.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to when existing main accounting standard requires a change in the accounting policies hitherto in use.

ii) Application of new and revised standards

(i) Ind AS 115- Revenue from Contracts with Customers: With effect from 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up method.

(ii) Appendix B to Ind AS 21- "Foreign Currency Transactions and Advance Consideration and Ind AS 12- Income Taxes have been revised with effect from 1st April, 2018.

The application of Ind AS 115 and revisions/amendments in other standards do not have any material impact on the financial statements.

iii) Recent Pronouncements

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has issued Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116, Leases and Appendix C, 'Uncertainty over Income Tax Treatments' to Ind AS 12, 'Income Taxes', which are applicable with effect from financial period ending on or after April 1, 2019.

Standards issued but not yet effective:

Ind AS 116 - Leases

Ind AS 116 will affect the accounting of lessees primarily by removing the current distinction between operating and finance leases. This requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals over the period all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the expense in the earlier years of a lease is expected to be higher.

Presently, the Company is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements.

Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'

The appendix explains the recognition and measurement of deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements.

C. Significant Accounting Policies

a. Basis of Preparation

The Standalone Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at amortized costs or fair value at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Notes to the Standalone Financial Statements

The functional currency of the company is determined as the currency of the primary economic environment in which it operates. The Financial Statements are presented in Indian Rupees and values are rounded off to the nearest two decimal lakhs except otherwise stated.

b. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

(c) Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

c. Property Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Interest on Borrowings utilised to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Parts of an item of Property, Plant and Equipment having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments which are expected to be used for a period more than twelve months and meets the recognition criteria of Plant, Property and Equipment. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

Capital work in progress includes purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and attributable borrowing cost. Such items are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use.

Depreciation and Amortization

Depreciation on Property, Plant and Equipment commences when the assets are ready for their intended use.

Depreciation on Property, Plant and Equipment is provided as per the useful life specified under Schedule II of the Companies Act, 2013 on Straight Line Method. Subsequent additions to the cost of Property, Plant and Equipment are depreciated over the remaining life of mother asset.

No depreciation is charged on Freehold land.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the estimated useful lives of assets for the current period are as follows:

Category	Useful Life in years
Buildings	30
Plant and Equipment	3-30
Furniture and fixtures	3-20
Vehicles	6-15
Computer	3-15

Notes to the Standalone Financial Statements

The residual value of an item of Property, Plant and Equipment has been kept at 5 percent or less of the cost of the respective assets.

Depreciation methods, Useful lives and Residual values are reviewed and adjusted as appropriate, at each reporting date.

d. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages are amortized over a period of 5 years on a straight line basis.

Amortization methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

e. De-recognition of Tangible and Intangible assets

An item of Property, Plant and Equipment and Intangible assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

f. Non-current assets held for sale

Non current asset or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

g. Investments in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

h. Leases

Leases are classified as finance leases whenever in terms of the lease, substantially all the risks and rewards incidental to the ownership of an asset to the Company are transferred to the lessee. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Any initial direct costs of the lessee are added to the amount recognised as an asset. Each lease payments are apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to achieve a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognised as expenses on a straight-line basis over the term of the lease unless the lease arrangements are structured to increase in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

i. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

j. Financial Instruments - Financial assets and financial liabilities

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Notes to the Standalone Financial Statements

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (referred to as "FVTPL") or at Fair Value Through Other Comprehensive Income (referred to as "FVTOCI") depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

1) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash and cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

2) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost.

The Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortised cost using Effective Interest Rate (referred to as "EIR") method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3) Financial Asset or Financial Liabilities at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

4) Financial Assets or Financial Liabilities at Fair value through profit or loss (FVTPL)

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

5) Impairment of financial assets

The Company evaluates whether there is any objective evidence that financial assets measured at amortise costs including trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the parties to make required payments. The Company bases the estimates on the ageing of the receivables, credit-worthiness of the receivables and historical write-off experience and variation in the credit risk on year to year basis.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses where maximum contractual period is considered over which the Company is exposed to credit risks.

Notes to the Standalone Financial Statements

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for financial assets measured at amortised costs are deducted from the gross carrying amount of the assets.

6) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

7) Derivative financial instruments and hedging activities

The company enters into derivative financial instruments being foreign exchange forward to mitigate the risk of changes in foreign exchange rates in respect of financial instruments. The Company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset, at fair value through profit or loss. Transaction costs attributable are also recognized in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Statement of profit and loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss.

When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

k. Inventories

Inventories are valued at lower of the cost or estimated net realisable value.

The cost in respect of raw materials is determined on First in First out basis (FIFO) and in respect of Finished Goods and Stores and Spares determined on Weighted average basis. Materials and other supplies held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials and stores and spares includes the taxes other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of Finished goods represents prime cost and appropriate portion of overheads.

Stock of Work in Progress includes conversion or processing costs of material pending completion and delivery to the customer.

By-product and scrap is valued at net realisable value.

l. Foreign Currency Transactions

1) Presentation Currency

The Standalone financial statements are presented in Indian Rupees (Rs.), the National Currency of India, which is the functional currency of the Company.

2) Transactions and Balances

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

m. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

n. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the Standalone financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Standalone Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

o. Employee Benefits

Short Term Employee benefits: They are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Defined Contribution Plan: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme the Central Government at a determined rate. The Company's contribution is charged off to the Statement of Profit and Loss.

Defined benefit Plan: Employee benefits under defined benefit plans are recognised based on the present value of the defined benefit obligation determined by actuarial valuation techniques using the projected unit credit method at the close of each year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Remeasurements are not reclassified to the statement of Profit and Loss in subsequent periods. Other costs are recognized in the Statement of Profit or Loss. Bifurcation of liabilities into Current and Non current are done based on actuarial valuation report.

p. Revenue Recognition

1. Revenue from Operations

Revenue is measured based on the considerations specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and /or products/services are delivered/provided to the customers. The delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the products in accordance with contract or the company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discounts and rebates collected, if any, are deducted there from sales.

2. Other Income

Interest, Dividend and Claims:

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Revenue in respect of claims of insurance, etc. are recognized only when there is reasonable certainty as to the ultimate collection.

q. Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily

Notes to the Standalone Financial Statements

takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

r. Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/rebates are credited to Statement of Profit and Loss Account under "Other Income" or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise to acquire non current assets are recognized as Deferred Income and disclosed under Non Current Liabilities and transferred to Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets is transferred to Statement of Profit and Loss over the periods that bear the cost of meeting the obligations related to such grants.

s. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

t. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

u. Segment Reporting

The Company has one operating business segment viz, manufacturing, processing and selling of steel and steel products comprising of engineering and other products and services and all other activities are incidental to the same.

D. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the Standalone financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Standalone financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the Standalone financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

a. Arrangements containing leases and classification of leases

The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Notes to the Standalone Financial Statements

b. Depreciation / amortization of and impairment loss on property, plant and equipment / intangible assets.

Property, plant and equipment are depreciated and intangible assets are amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation asset's recoverable amount is estimated which is higher of asset's or cash generating units' (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre–tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change in such expenses in future periods.

c. Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

d. Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

e. Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

f. Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to the Standalone Financial Statements

2. Property Plant and Equipment

(Rs. in Lakhs)

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Total
(A) Gross Carrying Amount						
As at March 31, 2017	846.85	6,610.07	48,779.88	236.71	1,837.22	58,310.73
Additions	105.26	174.46	2,090.91	80.04	151.94	2,602.61
Disposal / Adjustments	-	-	-647.74	-3.80	-12.03	-663.57
Other Adjustments	-	-43.56	528.91	-	-	485.35
As at March 31, 2018	952.11	6,740.97	50,751.96	312.95	1,977.13	60,735.12
Additions	-	720.02	566.74	13.43	60.08	1,360.27
Disposal / Adjustments	-	-	-50.29	-	-10.68	-60.97
As at March 31, 2019	952.11	7,460.99	51,268.41	326.38	2,026.53	62,034.42
(B) Accumulated Depreciation						
As at March 31, 2017	-	271.16	3,651.78	40.10	317.09	4,280.13
Charge for the period	-	270.68	4,117.09	39.29	325.44	4,752.50
Disposal / Adjustments	-	-	-69.42	-	-	-69.42
Other Adjustments	-	-	503.48	-0.32	-	503.16
As at March 31, 2018	-	541.84	8,202.93	79.07	642.53	9,466.37
Charge for the period		305.45	3,942.98	42.77	325.48	4,616.68
Disposal / Adjustments	-	-	-11.33	-	-7.96	-19.29
As at March 31, 2019	-	847.29	12,134.58	121.84	960.05	14,063.76
(C) Net Carrying Amount (A-B)						
As at March 31, 2018	952.11	6,199.13	42,549.03	233.88	1,334.60	51,268.75
As at March 31, 2019	952.11	6,613.70	39,133.83	204.54	1,066.48	47,970.66

Notes:

2.1 Refer Note No. 17.1 and 22.1 to standalone financial statement in respect of charge created on Property, Plant and Equipment against borrowings.

3. Intangible Assets

(Rs. in Lakhs)

	Computer Software
(A) Gross Carrying Amount	
As at March 31, 2017	19.39
Additions	-
Disposal	-
As at March 31, 2018	19.39
Additions	3.75
Disposal	-
As at March 31, 2019	23.14
(B) Accumulated Amortisation	
As at March 31, 2017	6.47
Charge for the period	6.46
As at March 31, 2018	12.93
Charge for the period	6.92
As at March 31, 2019	19.85
(C) Net Carrying Amount (A-B)	
As at March 31, 2018	6.46
As at March 31, 2019	3.29

Notes to the Standalone Financial Statements

4 Non Current Investments

(Rs. in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	Amount	No. of Shares	Amount
Measured at Cost, Unquoted				
Investments in equity Instruments of Subsidiaries				
Sail Bansal Service Centre Limited (Face Value Rs.10 each)	48,00,000	480.00	48,00,000	480.00
Confident Financial Consultancy Private Limited (Face Value Rs.10 each)	2,93,000	17.40	2,93,000	17.40
Perfect Investment Consultancy Private Limited (Face Value Rs.10 each)	3,04,000	19.54	3,04,000	19.54
Sidhant Investment Advisory Private Limited (Face Value Rs.10 each)	4,98,000	32.64	4,98,000	32.64
Sidhi Vinayak Comosales Private Limited (Face Value Rs.10 each)	2,95,000	18.66	2,95,000	18.66
Shri Hari Vincom Private Limited (Face Value Rs.10 each)	3,29,000	21.81	3,29,000	21.81
Narayana Dealcom Private Limited (Face Value Rs.10 each)	4,22,000	26.79	4,22,000	26.79
Fairplan Vintrade Private Limited (Face Value Rs.10 each)	3,94,000	25.39	3,94,000	25.39
Nageshwara Tradelink Private Limited (Face Value Rs.10 each)	3,70,000	23.46	3,70,000	23.46
		665.69		**665.69**
4.1 Aggregate amount of unquoted investments		**665.69**		**665.69**

4.2 Details of Subsidiaries in accordance with Ind AS 112 "Disclosure of interests in other entities":

Name of subsidiary	Principal activity	Proportion of ownership interest/voting rights held by the Company	Proportion of ownership interest/ voting rights held by the Company	
			As at 31.03.2019	As at 31.03.2018
Sail Bansal Service Centre Limited	Manufacturing	India	60.00%	60.00%
Confident Financial Consultancy Private Limited	Investment	India	100.00%	100.00%
Perfect Investment Consultancy Private Limited	Investment	India	100.00%	100.00%
Sidhant Investment Advisory Private Limited	Investment	India	100.00%	100.00%
Sidhi Vinayak Comosales Private Limited	Investment	India	100.00%	100.00%
Shri Hari Vincom Private Limited	Investment	India	100.00%	100.00%
Narayana Dealcom Private Limited	Investment	India	100.00%	100.00%
Fairplan Vintrade Private Limited	Investment	India	100.00%	100.00%
Nageshwara Tradelink Private Limited	Investment	India	100.00%	100.00%

4.3 Particulars of Investments as required in terms of Section 186(4) of the Companies Act, 2013, have been disclosed under Note No. 4 Above

5 Other Financial Assets- Non Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At amortised cost			
(a) Security Deposits		521.37	73.51
(b) Fixed Deposit with Bank (having maturity more than 12 months)	5.1	159.32	70.05
(c) Grant Receivable	5.2	90.00	180.00
		770.69	**323.56**

Notes:

5.1 Kept as lien against Bank Guarantee and letter of Credit

5.2 Nature and Extent of Grant

Represents grant of Rs.450 Lakhs approved on 29th October 2015 for investment in Plant and Machinary in Jamshedpur under capital promotion incentive scheme. As per the terms of the scheme, 20% of the grant amount will be received by the company for 5 years starting from 2016-2017.

There are no unfulfilled conditions and other contingencies attaching to government assistance.

6 Other Non Current Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Capital Advance		1,897.54	1,679.74
(b) Prepayments		188.42	231.40
(c) Deferred Loss on fair valuation of Financial instruments		0.69	28.22
		2,086.65	**1,939.36**

Notes to the Standalone Financial Statements

7 Inventories (Valued at lower of cost or Net realisable Value)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Raw materials		9,477.13	11,175.81
(b) Finished goods		6,424.26	6,726.18
(c) Work in Progress		2,971.80	2,872.36
(d) Stores and Spares		2,216.34	1,749.42
		21,089.53	**22,523.77**

Notes:

7.1 Refer Note No. 17.1 and 22.1 to standalone financial statement in respect of charge created on Inventories against borrowings.

7.2 Cost of Inventory recognised as expense during the year amounted to Rs.65,628.97 Lakhs (March 31, 2018- Rs.78,442.44 Lakhs)

8 Current - Trade Receivables

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Trade Receivables-Unsecured		19,439.77	20,895.16
		19,439.77	**20,895.16**

Notes:

8.1 Trade Receivables are non interest bearing and are generally on credit terms of 30 to 90 days. The ageing of Trade Receivables are as follows:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Within the credit period		13,658.10	20,083.17
1-180 days past due		500.82	194.75
More than 180 days past due		5,280.85	617.24
Total		**19,439.77**	**20,895.16**

8.2 Refer Note No. 17.1 and 22.1 to standalone financial statement in respect of charge created on Trade Receivable against borrowings.

8.3 The company has reviewed its account receivable based on the financial condition of the customer after considering the current economic environment on case to case basis.Based on such review,there does not exist such circumstances requiring any impairment in these Standalone Financial Statements.

The concentration of credit risks in respect of manufactured goods sold is limited due to customer base being backed by large number of unrelated parties. In respect of services provided, the Company's significant revenues are derived from one customer which is a well established public limited company in India and therefore concentration of credit risk is limited.

9 Cash and cash equivalents

(As certified by the management)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Balances with banks			
In Current accounts		40.11	40.08
in Fixed Deposit (having original maturity of less than 3 months)	9.1	19.83	-
in dividend account	9.2	0.07	8.28
(b) Cheques on hand		200.94	-
(c) Cash on hand		1.85	2.47
		262.80	**50.83**

Note:

9.1 Kept as lien against Bank Guarantee and letter of Credit, etc.

9.2 Balance with banks on unpaid dividend account represents monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

10 Other Bank balances

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Fixed Deposit with Bank (having original maturity of more than 3 months and less than 12 Months)	10.1	874.37	961.41
		874.37	**961.41**

Notes to the Standalone Financial Statements

10 Other Bank balances *(contd.)*

Notes:

10.1 Includes amount kept as lien Against:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Bank Guarantee/Letter of credit		464.18	576.04
Borrowing		410.19	385.37
		874.37	**961.41**

11 Loans

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At Amortised Cost			
(a) Loans to employees		109.85	124.33
(b) Loans to bodies corporate	11.1	203.30	-
		313.15	**124.33**

Notes:

11.1 Details of Loan to Bodies Corporate under Section 186 (4) of the Companies Act 2013

(Rs. in Lakhs)

Name of the Bodies Corporate	Purpose of Loan	As at 31.03.2019	As at 31.03.2018
Vikram Financial Services Limited	General Corporate Loan	150.00	-
Sansar Vyapar Private Limited	General Corporate Loan	53.30	-

11.2 The above Loan carries Interest varying from 9% to 14% per annum.

12 Other Financial Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At Amortised Cost			
(a) Security Deposit		37.88	-
(b) Grant Receivable	5.2	92.00	90.00
(c) Interest accured on Deposits		4.54	-
		134.42	**90.00**

13 Other Current Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Advances other than Capital advances			
(a) Advances against goods and services		7,681.35	4,051.19
(b) Advance to related parties	13.1 and 13.2	293.10	545.99
(c) Balances with government authorities		5.00	184.21
(d) Prepaid expenses		40.76	13.56
(e) Prepayments		27.94	27.94
(f) Deferred Loss on fair valuation of Financial instrument		0.87	1.57
		8,049.02	**4,824.46**

Notes:

13.1 Represent Loan receivable from subsidiary which is repayable on demand. However considering that the loan so given is strategic in nature and to provide Financial Support to the subsidiary, Interest has been waived and has therefore not been accrued in these accounts.

13.2 Disclosure pursuant to Regulation 34(3) of the Securities Exchange Board of India (SEBI) (Listing Obligations and disclosure requirements) Regulations, 2015.

(Rs. in Lakhs)

Loans and Advances in the nature of loan to Subsidiaries	Amount Outstanding as at March 31, 2019	Maximum Amount Outstanding during the year ended 2018-19	Amount Outstanding as at March 31, 2018	Maximum Amount Outstanding during the year ended 2017-18
Bansal Nepal Private Limited	-	221.11	221.11	221.11
Sail Bansal Service Centre Limited	293.10	354.10	324.88	644.86

Notes to the Standalone Financial Statements

14 Assets classified as held for sale

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Investment in equity instruments of a subsidiary	14.1	305.22	305.22
		305.22	**305.22**

14.1 The Company entered into a Share Purchase Agreement (SPA) on 04th April, 2017 inter-alia with M/S Anand Itta Bhata Udyog Private Limited for sale of its entire shareholding in Bansal Nepal Private Limited, subsidiary of the company consisting of 508693 equity shares of Rs.60/- each subject to compliance and completion of the formalities under the Foreign Exchange Management Act and the conditions precedent in terms of the Sale Purchase Agreement. Consequently, the said investments has been classified as held for sale at its realisable value.

15 Equity Share Capital

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Authorised:			
500,000,000 Equity Shares of Re.1 each (Previous Year 500,000,000 shares of Re.1 each)		5,000.00	5,000.00
		5,000.00	**5,000.00**
Issued, Subscribed and fully paid up:			
225,086,460 Equity Shares of Re.1 each (Previous Year 225,086,460 shares of Re.1 each)		2,250.86	2,250.86
		2,250.86	**2,250.86**

Notes:

15.1 The company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

15.2 There has been no changes/movements in number of shares outstanding at the beginning and at the end of the reporting period.

15.3 Shareholders holding more than 5% equity shares

Name of Equity Shareholders	Number of Equity Shares Held	
	As at 31.03.2019	As at 31.03.2018
Ram Gopal Bansal	35750000	35750000
Harsh Kumar Bansal	18447250	18447250
Vivek Kumar Bansal	14022080	14022080

15.4 The Company does not have any Holding Company/Ultimate Holding Company.

16 Other Equity

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Capital Reserve	16.1	432.17	432.17
(b) Securities Premium	16.2	16,682.97	16,682.97
(c) General Reserve	16.3	2,207.29	2,207.29
(d) Retained earnings	16.4	30,553.11	26,491.67
		49,875.54	**45,814.10**

Notes:

Refer Statement of Changes in Equity for movement in balances of Reserves.

16.1 Capital Reserve

Capital Reserve comprises of:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Government Grant Received		15.00	15.00
Forfeiture of Warrants convertible into Equity Shares		417.17	417.17
		432.17	**432.17**

16.2 Securities Premium

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

Notes to the Standalone Financial Statements

16 Other Equity *(contd.)*

16.3 General Reserve

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

16.4 Retained Earnings

Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the company and includes remeasurement gain/losses on defined benefit obligations. This includes Nil (March 31, 2018: Rs.102.79 Lakhs) which is not available for distribution as these are represented by changes in carrying amount of Property, Plant and Equipment being measured at fair value as on the date of transition as Deemed Cost.

17 Borrowings

(Rs. in Lakhs)

Particulars			Note No.	As at 31.03.2019		As at 31.03.2018	
				Non current	Current	Non current	Current
At Amortised Cost							
A	Secured						
(a)	Term loans						
	From banks						
	-	Rupee Loan	17.1.1	3,740.83	2,929.31	6,648.02	2,788.56
	-	Foreign Currency Loan	17.1.2	2,083.38	2,559.38	4,365.74	1,781.75
	From Others			-	-	-	375.00
(b)	Vehicle Loan			-	-	-	-
	From banks		17.1.3	119.06	422.75	538.63	366.18
	From Others		17.1.4	29.97	24.52	64.54	30.96
				5,973.24	**5,935.96**	**11,616.93**	**5,342.45**
B	Unsecured						
	From Related Parties			-	-	222.10	-
	From Bodies Corporate		17.1.5	1,710.29	-	3,366.28	-
				1,710.29	**-**	**3,588.38**	**-**
Total				**7,683.53**	**5,935.96**	**15,205.31**	**5,342.45**

17.1 Nature of Security

17.1.1 Secured primarily by 1st charge on the fixed assets of the company's Unit at Gamharia situated in Jharkhand (existing as well as that of the Proposed Project) for both present and future and secured by First charge on all fixed assets located at GT Road both present and future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries and other movable fixed assets. Further secured by personal guarantee of the three directors of the Company. Rate of interest being 0.35% to 2.25% above Bank Rate and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	2,914.25
2020-2021	3,054.18
2021-2022	752.70
Total	**6,721.13**

17.1.2 Secured primarily by 1st charge on the fixed assets of the company's Unit Gamharia situated in Jharkhand (existing as well as that of the Proposed Project) for both present and future by way of equitable mortgage of the immovable assets and hypothecation of Plant and Machineries and Other movable fixed assets. Further secured by personal guarantee of the three directors of the Company. Rate of interest being 300 basis point above 6 month LIBOR and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	2,559.38
2020-2021	2,083.38
Total	**4,642.76**

17.1.3 Secured by hypothecation of vehicles and other machinery acquired there against. Rate of interest being ranges from 9.25% to 10.25% and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	422.75
2020-2021	119.06
Total	**541.81**

Notes to the Standalone Financial Statements

17 Borrowings *(contd.)*

17.1.4 Secured by hypothecation of vehicles and other machinery acquired there against. Rate of interest being ranges from 7.65% to 9.15% and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	24.52
2020-2021	29.97
Total	**54.49**

17.1.5 Interest free Unsecured Loan at unamortised cost outstanding as on March 31, 2019 is payable as per the repayment schedule as follows:

(Rs. in Lakhs)

Financial Year	Rupees in Lakhs
2023-2024	143.05
2024-2025	1,918.09
2025-2026	650.00
Total	**2,711.14**

18 Non Current - Other Financial Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
At Amortised Cost			
Security Deposit		1,270.15	-
		1,270.15	**-**

19 Non Current-Provision

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits	19.1	216.22	223.59
		216.22	**223.59**

Notes:

19.1 For other disclosures, refer Note 41

20 Deferred Tax Liabilities (Net)

The following is the analysis of Deferred Tax (Assets) / Liabilities presented in the Standalone Balance Sheet

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Deferred Tax Assets		(2,231.34)	(2,798.10)
(b) Deferred Tax Liabilities		7,443.54	7,130.84
Net deferred Tax (Assets)/ Liabilities		**5,212.20**	**4,332.74**

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2019 are given below: (Rs. in Lakhs)

2018-19	Opening Balance	Charges/ (Credit) recognised in the Statement of Profit and Loss	Charges/ (Credit) recognised in the Other Comprehensive Income	Closing Balance
Deferred Tax Assets				
Defined benefit obligation	10.23	(77.09)	9.52	77.80
Mat Credit entitlement	2,787.87	802.81	-	1,985.06
Lease Rentals and Others	(77.06)	(160.13)	-	83.07
Fair valuation of Financial Instruments	-	(85.41)		85.41
Total Deferred Tax Assets	**2,721.04**	**480.18**	**9.52**	**2,231.34**
Deferred Tax Liabilities				
Property, plant and equipment	7,053.78	389.76	-	7,443.54
Lease Rentals and Others			-	-
Total Deferred Tax Liabilities	**7,053.78**	**389.76**	**-**	**7,443.54**
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,332.74**	**869.94**	**9.52**	**5,212.20**

Notes to the Standalone Financial Statements

20 Deferred Tax Liabilities (Net) *(contd.)*

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2018 are given below: (Rs. in Lakhs)

2017-18	Opening Balance	Charges/ (Credit) recognised in the Statement of Profit and Loss	Charges/ (Credit) recognised in the Other Comprehensive Income	Closing Balance
Deferred Tax Assets				
Defined benefit obligation	27.15	-	16.92	10.23
Mat Credit entitlement	2,787.87	-	-	2,787.87
Total Deferred Tax Assets	**2,815.02**	**-**	**16.92**	**2,798.10**
Deferred Tax Liabilities				
Property, plant and equipment	7,078.26	(24.48)	-	7,053.78
Lease Rentals	71.86	5.20	-	77.06
Total Deferred Tax Liabilities	**7,150.12**	**(19.28)**	**-**	**7,130.84**
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,335.10**	**(19.28)**	**16.92**	**4,332.74**

21 Other Non Current Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Deferred gain on fair valuation of financial instrument		1,397.85	2,311.63
(b) Deferred revenue arising from Government Grants		298.22	332.50
		1,696.07	**2,644.13**

22 Borrowings

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Secured			
From Banks			
Cash credit/Working capital facilities repayable on demand	22.1	21,425.02	20,104.96
UnSecured			
From Bank			
Cash credit/Working capital facilities repayable on demand	22.2	2,107.48	2,136.70
		23,532.50	**22,241.66**

22.1 Cash credits from banks are secured by hypothecation of current assets including inventories and book debts and collateral security of pari pasu charge over fixed assets of the company and guaranteed by three directors of the Company.

22.2 Unsecured Borrowings are guaranteed by three directors of the Company

23 Trade payables- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of Micro Enterprise and Small Enterprises	23.1	-	-
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprises		3,092.14	6,329.14
		3,092.14	**6,329.14**

23.1 There are no dues to Micro and Small enterprises as at 31st march, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

23.2 Trade payables are non-interest bearing and are normally settled on 30 to 120 day terms.

24 Other financial liabilities- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Financial Liabilities at amortised cost			
Current maturities of long-term debts	17	5,935.96	5,342.45
(b) Security Deposit		75.00	-
(c) Liabilities for Capital Goods		-	-
Total outstanding dues of micro enterprise and small enterprises	24.1	-	-
Total outstanding dues of Creditors other than micro enterprise and small enterprises		525.88	-

Notes to the Standalone Financial Statements

24 Other financial liabilities- Current *(contd.)*

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(d) Unpaid dividend		0.07	8.29
(e) Fair Value of Foreign Exchange Forwards (Refer Note 43)		26.08	-
(f) Others - Employees related Liabilities, Liabilities for Expenses, etc.		714.10	704.53
		7,277.09	**6,055.27**

Note

24.1 There are no dues to Micro and Small enterprises with regard to the supplier of capital goods as at 31st march, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

25 Other Current liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Advances received from customers		657.59	13.72
(b) Statutory Dues (GST, service tax, sales tax, TDS etc.)		694.79	63.34
(c) Deferred gain on fair valuation of financial instruments		321.63	413.08
(d) Deferred revenue arising from Government Grants		34.28	34.28
		1,708.29	**524.42**

26 Provisions- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits	26.1	6.43	18.15
		6.43	**18.15**

26.1 For other disclosures, refer Note 41

27 Current Tax Liability (Net)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for Income Tax (Net of Advance Tax)		432.56	487.30
		432.56	**487.30**

28 Revenue from Operations

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Sale of Products		35,816.54	53,518.70
(b) Conversion Income		38,473.44	38,179.76
(c) Other Operating Revenue			
Transportation Charges Realised		7,768.28	2,769.98
Others- Brokerage		199.34	-
		82,257.60	**94,468.44**

Notes

28.1 Disaggregation of Revenue

Revenue based on Geography

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Domestic		82,241.68	93,536.72
Export		15.92	931.72
Total		**82,257.60**	**94,468.44**

28.2 Goods and Service Tax ("GST") has been implemented with effect from 1st July, 2017 and therefore, revenue from operations for the year ended 31st March 2019 is net off GST. Revenue from Operations and expenses for the period 1st April 2017 to 30th June 2017 included under the year ended 31st March 2018 being inclusive of Excise Duty are therefore not comparable.

Notes to the Standalone Financial Statements

29 Other Income

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Interest Income			
- Financial Instruments measured at amortised Cost	29.1	1,780.63	413.83
-on deposits		219.60	86.61
		-	-
Other non-operating income (net of expenses directly attributable to such income)		-	-
(b) Government Grant		34.28	34.28
(c) Profit on sale of Property, Plant and Equipment		134.95	552.04
(d) Liabilities no longer required written back		233.14	301.40
(e) Dividend from the subsidiary company		7.20	-
(f) Miscellaneous Income		36.59	162.81
		2,446.39	**1,550.97**

29.1 Includes Rs.1,489.48 Lakhs (Previous Year Rs.Nil) arising due to fair value adjustments on prepayments of certain non-current borrowings during the year. Correspondingly, Rs.1,750.20 Lakhs in this respect have been shown under Interest Expenses. (Refer Note 33.1)

30 Cost of Materials Consumed

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Raw Materials Consumed		47,183.58	55,004.67
		47,183.58	**55,004.67**

31 Changes in stock of finished goods, stock in trade and work-in-progress

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Opening Stock			
Finished Goods		6,726.18	4,863.95
Work in Progress		2,872.36	2,872.36
		9,598.54	**7,736.31**
Less: Closing Stock			
Finished Goods		6,424.26	6,726.18
Work in Progress		2,971.80	2,872.36
		9,396.06	**9,598.54**
(Increase)/ Decrease in Inventories of Finished goods, Stock-in - Trade and Work-in-Progress		202.48	(1,862.23)

32 Employee benefits expense

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Salaries and wages		2,211.99	1,729.59
(b) Contribution to provident fund	41	90.72	121.28
(c) Staff welfare expenses		294.06	520.27
		2,596.77	**2,371.14**

33 Finance Costs

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Expense	33.1	5,626.93	4,657.05
		5,626.93	**4,657.05**

33.1 includes Rs.1,750.20 Lakhs (Previous Year Rs.Nil) arising due to fair value adjustments on prepayments of certain non-current borrowings during the year. Correspondingly, Rs.1,489.48 Lakhs in this respect have been shown under Other Income. (Refer Note 29.1)

Notes to the Standalone Financial Statements

34 Depreciation and Amortisation Expenses

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Depreciation on Tangible Assets	2	4,616.68	4,752.50
Amortisation on Intangible Assets		6.92	6.46
		4,623.60	**4,758.96**

35 Other Expenses

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Consumption of stores and spares		3,298.28	3,065.86
Power and Fuel		5,501.11	5,325.82
Rent	35.1	290.81	248.35
Repairs and Maintenance to Machinery		227.20	165.57
Repairs and Maintenance to Building		26.75	13.16
Rates and Taxes	35.2	100.39	1,591.87
Transportation Charges Paid		1,802.91	2,164.31
Directors' Remuneration		397.06	361.69
Carriage inward		484.98	474.93
Excise duty paid and on stock		-	314.50
Auditor's Remuneration	35.3	30.70	16.90
Loss on Investment in Subsidiary held for sale		-	12.72
Irrecoverable Balances written off	35.4	1,429.34	-
Exchange Difference Loss		435.64	33.78
Miscellaneous expenses	35.5	3,818.81	2,962.65
		17,843.98	**16,752.11**

35.1 Operating lease disclosures

The Company has certain operating lease arrangements for factory land with tenure extending upto 30 years. Terms of such lease arrangement include escalation clause for rent whereby the rent for the aforementioned lease is liable to be doubled after 4 years and thereafter may be revised after every 20 years in accordance with the rules framed by the Government of Jharkhand or the lessor. There are no restrictions imposed by lease agreements. There are no sub lease. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit and Loss amounts to Rs.20.57 lakhs (P.Y.-Rs.20.57 lakhs)

35.2 Includes Rs.Nil (previous year Rs.1,436.89 lakhs) being payment made to Sales Tax Authorities under Settlement of Dispute Scheme.

35.3 Auditor's Remuneration includes:

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Audit Fees		15.00	10.00
(b) Tax Audit Fees	35.3.(a)	6.00	-
(c) Certifications and other Services		9.70	6.90
		30.70	**16.90**

35.3(a) includes Rs.3.00 Lakhs (P.Y.: Rs.Nil) pertaining to previous year.

35.4 Includes Rs.221.11 Lakhs (P.Y.: Nil) written off in respect of Bansal Nepal Private Limited, a Subsidiary Company as mentioned in Note 14.1

35.5 Corporate Social Responsibility

Includes Rs.111.99 lakhs (P.Y.: Rs.81.93 lakhs) on account of Corporate Social Responsibility (CSR). Gross Amount required to be spent by the Company during the year Rs.99.18 lakhs (P.Y.: Rs.79.75 lakhs). Also Refer Note 35.5.1 and 35.5.2

35.5.1 Amount Spent during the year on

(Rs. in Lakhs)

Particulars	In Cash	Total Yet to Be Paid in cash	Total
(i) Construction/acquisition of any assets	NIL	NIL	NIL
(ii) On purpose other than (i) above	111.99	NIL	111.99

Notes to the Standalone Financial Statements

35 Other Expenses *(contd.)*

35.5.2 Disclosure related to Corporate Social Responsibility (CSR)

The breakup of CSR expenditure under various heads of expenses incurred is as below:- (Rs. in Lakhs)

Sl. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Animal Welfare	1.50	1.12
2	Promotion of Education including special education	73.16	41.42
3	Providing Safe Drinking Water	0.81	1.06
4	Eradication Of Hunger, Poverty & Malnutrition	25.80	29.51
5	Promoting Health care including preventive health care	9.72	8.82
6	Chief Minister Distress Relief Fund	1.00	-
	Total Amount	**111.99**	**81.93**

36 Tax Expense

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Tax Expense	2,234.51	2,051.63
	2,234.51	**2,051.63**

36.1 Components of Tax Expense (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Current tax	1,364.57	2,070.91
Deferred tax	869.94	(19.28)
Total tax expense recognised in the Statement of Profit and Loss	**2,234.51**	**2,051.63**

36.2 Reconciliation of Income Tax Expenses for the year with accounting profit as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Profit before tax	6,332.48	7,165.06
Income tax expense calculated at 34.944% (P.Y. - 34.608%)	2,212.82	2,479.67
Add: Effect of Expenses that are not deductible in determining taxable profit		
Effect of temporary differences on account of tax of earlier periods	-	-
Expenses not allowed for tax purpose	-	1.80
Certain expenses to be allowed on payment basis	-	27.99
Effect of fair valuation of Financial assets and Financial Liabilities	21.69	-
Less: Effect of Expense/income that are deductible/not taxable in determining taxable profit		
Effect of temporary differences on account of tax of earlier periods	-	220.53
Effect of other adjustments	-	237.30
Income Tax recognised in the Statement of profit and loss	**2,234.51**	**2,051.63**

The tax rate used for reconciliations above is 30% as applicable for corporate entities on taxable profits under the Indian tax laws.

36.3 Income Tax recognised in Other Comprehensive Income (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Deferred tax (charge)/ Credit on		
Remeasurement of defined benefit obligation	(9.52)	(16.92)
Total income tax recognised in other comprehensive income	**(9.52)**	**(16.92)**
Bifurcation of the income tax recognized in Other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	(9.52)	(16.92)

Notes to the Standalone Financial Statements

36 Tax Expense *(contd.)*

36.4 Components of Other Comprehensive Income (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Items that will not be reclassified to profit or (loss)		
Remeasurement of defined benefit obligation (Net of Tax)	17.73	31.96
	17.73	31.96

37 Contingent Liabilities and Commitments (to the extent not provided for)

A. Contingent Liabilities (Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Claims against the Company not acknowledged as Debt		
i. Counter guarantee issued by company to bank, in respect of bank guarantee issued	4,730.29	5,419.37
ii. Corporate guarantee issued by company on behalf of subsidiary company-Sail Bansal Service Centre Limited (to the extent of Borrowings there against)	-	34.68
iii. Income tax demands under appeal	178.34	218.22
iv. Sales Tax Demand Under appeal	115.52	-

37.A.1 The Company's pending litigation comprises of claim against the Company and proceeding pending tax/statutory/Government authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its standalone Financial Statements. The Company does not expects the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of (iii) and (iv) above are dependent upon the outcome of judgments / decisions.

B. Capital and Other Commitment (Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Capital commitments {net of advances of Rs.1,897.54 lakhs (Previous Year - Rs.1,679.74 lakhs)}	600.32	138.48

37.B.1 Disclosure as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, unresolved claims remains outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

38 Trade Receivables, Trade payables and advances recoverable are subject to confirmation/reconciliation and consequential adjustments, if any arising thereof. In the opinion of the management, current assets, loans and advances will have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

39 Earnings Per Share

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a) Profit after Tax for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss (Rs. in Lakhs)	4,097.97	5,113.43
b) Number of Equity Shares (Nos):		
(i) Weighted average number of equity shares outstanding during the period	22,50,86,460	22,50,86,460
(ii) Dilutive Potential Equity shares	Nil	Nil
Nominal value per equity share (Re.)	1	1
c) Earnings per share of Equity share of Re.1 each (in Rs.) - Basic (a/b(i))	1.82	2.27
d) Earnings per share of Equity share of Re.1 each (in Rs.) - Diluted (a/b(i))	1.82	2.27

40 Segment Reporting

(i) The Company has one operating business segment viz, manufacturing, processing and selling of steel and steel products comprising of engineering and other products and services and all other activities are incidental to the same.

Notes to the Standalone Financial Statements

40 Segment Reporting *(contd.)*

(ii) Geographical Segment

(Rs. in Lakhs)

Particulars	2018-19	2017-18
Revenue by Geographical market		
Sale of Products and Services		
- Domestic	82,241.68	93,536.72
- Export	15.92	931.72
Total	**82,257.60**	**94,468.44**
Assets		
Trade Receivable		
- Within India	19,439.77	20,895.16
- Outside India	-	-
Total	**19,439.77**	**20,895.16**

(iii) Information about Major Customer

Revenue from Conversion Income of steel and steel products include sale of service to one Public Company pertaining to the Steel sector which account for more than 10% and amounting to Rs.33,513.58 lakhs (March 31, 2018 - Rs.34,389.08 lakhs) in aggregate of the total revenue of the Company.

41 Employee Benefits

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

The Company also has certain Defined Contribution plans. Contributions are made to provident fund in India at the rate of 12% of salary of the employees covered as per the regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

As per Indian Accounting Standard 19 "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits are given below:

i) Defined Contribution Scheme

Contribution to Defined Contribution Plan, recognized for the year are as under:

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Employer's Contribution to Provident Fund	90.72	72.40

The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

ii) Defined Benefit Scheme

The Company has defined benefit plan comprising of gratuity. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) actuarial Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
A. Change in fair value of Defined Benefit Obligation:		
Present Value of Defined Benefit Obligations as at the beginning of the year	241.74	253.52
Current Service Cost	27.74	31.36
Past Service Cost	-	1.03
Interest Cost	18.61	18.97
Benefit Paid	(38.19)	(14.26)
Actuarial (Gain) / Losses	(27.25)	(48.88)
Present Value of Defined Benefit Obligations as at the end of the year	**222.65**	**241.74**

Notes to the Standalone Financial Statements

41 Employee Benefits *(contd.)*

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
B. Change in Fair Value of plan Assets:		
Fair value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan assets	-	-
Contributions by the Employers	-	-
Benefit paid	-	-
Actuarial Gains/(Losses)	-	-
Fair value of plan Assets at the end of the year	-	-

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:		
Present Value of Defined Benefit Obligations as at the end of the year	222.65	241.74
Fair value of Plan Assets at the end of the year	-	-
Liability /(Assets) recognized in the Balance Sheet	**222.65**	**241.74**

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
D. Components of Defined Benefit Cost		
Current Service Cost	27.74	31.36
Past Service Cost	-	1.03
Interest Cost	18.61	18.97
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss on remeasurement recognized in OCI	(27.25)	(48.88)
Total Defined Benefit Cost recognized in the Statement of Profit and Loss and OCI	**19.10**	**2.48**

For Gratuity (Unfunded)	2018-19	2017-18
E. Principal Actuarial Assumptions used		
Discounted Rate (per annum) Compound	7.75%	7.70%
Salary Inflation Rate	6.00%	6.00%
Mortality Rate	IALM 2006-2008 ULTIMATE	
Attrition Rate	1.00%	1.00%
Retirement age	58 Years	60 years
Expected Rate of return on Plan Assets	NA	NA

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18	2016-17	2015-16	2014-15
F. Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)					
Present Value of Defined Benefit Obligations	222.65	241.74	253.52	192.60	137.18
Fair value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	222.65	241.74	253.52	192.60	137.18
Experience Adjustment on Plan Assets [Gain/(Loss)]					
Experience Adjustment on Obligation [Gain/(Loss)]					

Notes to the Standalone Financial Statements

41 Employee Benefits *(contd.)*

G. Sensitivity analysis

Particulars	31.03.2019		31.03.2018	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	209.45	237.10	225.69	259.49
%Change Compared to base due to sensitivity	-5.930%	6.490%	-6.641%	7.341%
Salary Growth (-/+ 0.5%)	236.87	259.60	259.60	225.45
%Change Compared to base due to sensitivity	6.380%	-5.940%	7.390%	-6.738%
Attrition Rate (-/+ 0.5%)	223.21	222.08	241.73	241.75
%Change Compared to base due to sensitivity	0.250%	-0.250%	-0.003%	0.003%
Moratility Rate (-/+ 10%)	-	-	241.90	241.57
%Change Compared to base due to sensitivity	0.000%	0.000%	0.068%	-0.068%

The above sensitivity analysis is 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 (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

H. Estimate of expected benefit payments (In absolute terms i.e. undiscounted) (Rs. in Lakhs)

Particulars	Gratuity
01 April 2019 to 31 March 2020	6.43
01 April 2020 to 31 March 2021	12.62
01 April 2021 to 31 March 2022	12.01
01 April 2022 to 31 March 2023	6.01
01 April 2023 to 31 March 2024	14.65
01 April 2024 Onwards	100.45

I.

Particulars	As at March 31, 2019	As at March 31, 2018
Average number of people employed	599	623

42 Related Party Transactions

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A) Name of related parties and related party relationship:

Subsidiaries	SAIL Bansal Service Centre Limited
	Confident Financial Consultancy Private Limited
	Perfect Investment Consultancy Private Limited
	Sidhant Investment Advisory Private Limited
	Siddhi Vinayak Commosales Private Limited
	Shri Hari Vincom Private Limited
	Narayan Dealcom Private Limited
	Fairplan Vintrade Private Limited
	Nageshwar Tradelink Private Limited
	Bansal Nepal Private Limited (Refer Note No 14.1)
Key Managerial Personnel	Ram Gopal Bansal
	Harsh Kumar Bansal
	Vivek Kumar Bansal
Enterprises over which Key Managerial Personnel has significant influence	JIT Transport Organisation
	Encash Commercial Private Limited
	Pioneer Goods Private Limited
	Jayamala Commercial Private Limited

Notes to the Standalone Financial Statements

42 Related Party Transactions *(contd.)*

B) Nature of Transaction with the related parties referred to in serial no. (A) above (Rs. in Lakhs)

Nature Of Transactions	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(i) Sales			
Sail Bansal Service Centre Limited		4.66	9.49
(ii) Rent Paid		-	-
Ram Gopal Bansal		15.00	15.00
(iii) Remuneration		-	-
Ram Gopal Bansal		156.00	156.00
Harsh Bansal		120.00	102.00
Vivek Bansal		120.00	102.00
(iv) Purchase		-	-
Sail Bansal Service Centre Limited		-	-
(v) Rent Received		-	-
JIT Transport Organisation		25.20	25.20
(vi) Intercorporate Loan Repaid (At Unamortised Cost)		-	-
Perfect Investment Consultancy Private Limited		183.99	270.00
Shri Hari Vincom Private Limited		228.00	-
Encash Commercial Private Limited		-	20.00
Fairplan Vintrade Private Limited		-	32.50
Pioneer Goods Private Limited		-	50.00
Jayamala Commercial Private Limited		-	1.50
(vii) Irrecoverable balances Written Off		-	-
Bansal Nepal Private Limited	35.4	221.11	-
(viii) Dividend Received			
Sail Bansal Service Centre Limited		7.20	-

C) Balances of Related parties is as follows: (Rs. in Lakhs)

Nature Of Transactions	Note No.	As At 31st Mar 2019	As At 31st Mar 2018
(i) Outstanding Balances (Receivables)			
Bansal Nepal Private Limited - Interest free		-	221.11
Sail Bansal Service Centre Limited	13	293.10	324.89
JIT Transport Organisation		90.30	82.96
(ii) Outstanding Balances (Payable)			
Sail Bansal Service Centre Limited		-	2.82
Shri Hari Vincom Private Limited		-	228.00
Perfect Investment Consultancy Private Limited		-	183.99

D) The remuneration of directors and other members of key management personnel during the year as follows: (Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Short–term employee benefits		396.00	360.00
Post–employment benefits*		-	-

*Excluding contribution to gratuity fund

In respect of above parties there is a provision of Rs.NIL (March 31, 2018 NIL) as on 31st March, 2019 and Rs.221.11 lakhs (March 31, 2018 NIL) has been written off during the year 2018-2019 in respect of debts due from them.

E) The above related parties information is as identified by the management and relied upon by the auditor.

Notes to the Standalone Financial Statements

43 Financial Instruments

(a) The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:–

(Rs. in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non–Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	19,439.77	19,439.77	20,895.16	20,895.16
Cash and cash equivalents	262.80	262.80	50.83	50.83
Other Bank Balances	874.37	874.37	961.41	961.41
Investments in Subsidiaries	665.69	665.69	665.69	665.69
Loans	313.15	313.15	124.33	124.33
Other Financial Assets	905.12	905.12	413.56	413.56
Financial Liabilities (Current and Non–Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	37,151.99	37,151.99	42,789.43	42,789.43
Trade Payables	3,092.14	3,092.14	6,329.12	6,329.12
Other Financial Liabilities	1,315.06	1,315.06	712.81	712.81
Derivative - not designated as hedging instruments: Forward	26.08	26.08	-	-

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short–term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the Standalone Financial Statements approximate their fair values.

Fair Value of Long term debt approximates their carrying value subject to adjustments made for transaction cost.

The non current financial assets represent security deposits given to government authorities and for the purpose of day-to-day utilities of the Company and therefore the need of fair valuation does not arise in such a case.

A substantial portion of the company's long–term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

Fair value of Security deposits and Unsecured Loans from Bodies Corporate have been determined on Effective interest Rate method (EIR) and differential thereof has been recognised as deferred loss/gain and to be recognised to profit and loss over the tenure of the instrument.

Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place. The inputs used for forward contracts are Forward foreign currency exchange rates.

Derivative Instruments

The Company follows risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

i) The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Category	Currency	Number of Deals	Amount in USD (Lakhs)	Underlying Purpose
Forward	USD/ INR	One (Previous Year Nil)	9.21 (Previous Year Nil)	External Commercial Borrowings

Notes to the Standalone Financial Statements

43 Financial Instruments *(contd.)*

ii) Unhedged Foreign Currency exposures are as follows: -

Nature	Currency	Amount in Foreign Currency (USD in Lakhs)	
		As at March 31, 2019	As at March 31, 2018
External Commercial Borrowings	USD	58.89	94.51

The table below analyses the derivative financial instruments into relevant maturity groups based on the remaining period as of the balance sheet date:

Nature	Amount in Foreign Currency (USD in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Not Later than One Month	-	-
Later than one month and not later than three months	-	-
Later than three months and not later than one year	9.21	-
Later than one year	-	-

FINANCIAL RISK FACTORS

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks including Fixed Deposits with Banks, trade receivables and other receivables, Deposits and Investments.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Company's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:

MARKET RISK

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

Interest Rate Risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and others. Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the company's cash flows as well as costs. There are certain borrowings at fixed interest rate which exposes the company to the fair value interest rate risk, however exposure in such borrowings is not significant.

Further there are deposits with banks which are for short term period and are exposed to interest rate risk, falling due for renewal.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on the Profit or Loss with respect to floating rate portion of loans and borrowings

(Rs. in Lakhs)

Particulars	Increase in basis points	For the year ended 31.03.2019	For the year ended 31.03.2018
Rupee Loan	+0.50	463.00	180.49
Foreign Currency Loan	+0.50	117.79	20.79

A decrease in 0.50 basis point in Rupee Loan and Foreign Currency Loan would have an equal and opposite effect on the Company's Standalone Financial Statements

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's trade receivables and trade payables.

The Company evaluates the impact of foreign exchange rate fluctuation by assessing its exposure to exchange rate risks.

The carrying amount of various exposures to foreign currency as at the end of the reporting period are as follows: (Rs. in Lakhs)

Particulars	Borrowings	
	As at March 31, 2019	As at March 31, 2018
USD	4,642.76	6,147.50

43 Financial Instruments *(contd.)*

Nature of Transactions (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Payables (Weaking of INR by 5%)		
USD	(232.14)	(307.37)

Figures in bracket represent Loss.

A 5% strengthening of INR would have an equal and opposite effect on the Company's Standalone Financial Statements.

CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and other financial assets including deposits with Bank. Exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

The Company's exposure of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The carrying amount of respective financial assets recognised in the Standalone Financial Statements, represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being well established, large and unrelated.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate impairment allowances for doubtful debts are made to the extent recovery there against has been considered to be remote.

Financial assets that are neither past due nor impaired

Cash and cash equivalents and deposits are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables amounts that are past due at the end of the reporting period against which no credit losses has been expected to arise.

LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital loans from banks. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Liquidity and interest risk tables

The following tables detail the Company's contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

Interest rate and currency of borrowings

As at March 31, 2019 (Rs. in Lakhs)

Particulars	Total Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings	Interest free borrowings	Weighted average interest rate (%)
Borrowings in INR	33,510.07	596.30	30,202.63	2,711.13	8.13%
Borrowings in Foreign Currency (USD)	4,642.76	-	4,642.76	-	10.37%

As at March 31, 2018 (Rs. in Lakhs)

Particulars	Total Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings	Interest free borrowings	Weighted average interest rate (%)
Borrowings in INR	39,821.60	1,000.30	32,098.69	6,722.61	9.38%
Borrowings in Foreign Currency (USD)	6,147.50	-	6,147.50	-	6.52%

Notes to the Standalone Financial Statements

43 Financial Instruments *(contd.)*

Maturity Analysis of unamortised Financial Liabilities

As at March 31, 2019 (Rs. in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings	38,152.83	23,532.50	2,740.20	3,180.70	8,699.43	38,152.83
Trade payables	3,092.14	-	3,092.14	-	-	3,092.14
Other Liabilities	1,315.06	0.07	1,314.99			1,315.06

As at March 31, 2018 (Rs. in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings	45,969.10	22,241.66	2,736.70	2,605.75	18,384.99	45,969.10
Trade payables	6,329.12	-	6,329.12	-	-	6,329.12
Other Liabilities	712.81	8.28	704.53	-	-	712.81

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

(b) Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as high financial flexibility for potential future borrowings.

The gearing ratio is as follows: (Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	37,151.99	42,789.43
Less: Cash and Cash Equivalents	262.80	50.83
Net Debt	36,889.20	42,738.60
Equity	52,126.40	48,064.97
Equity and Net Debt	89,015.60	90,803.57
Gearing Ratio	0.41	0.47

(c) Declaration of Dividend

The Board of Directors in its meeting held on 10th April, 2018 has declared an Interim Dividend of Re.0.02 per equity shares (2%) for the year 2018-19. The total equity dividend paid is Rs.45.01 Lakhs and the Dividend Distribution Tax paid thereon amounted to Rs.9.25 Lakhs.

44 Previous year figures have been regrouped wherever necessary to confirm with financial statements.

45 These Standalone financial statements have been approved by the Board of Directors of the Company on May 30, 2019 for issue to the shareholders for their adoption.

As per our report of even date

For and on behalf of the Board of Directors

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

H.K. Verma
Partner
Membership No. 055104

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

Place: Kolkata
Date: 30th May, 2019