

NOTE NO.1:**Notes to Financial Statements for the year ended March 31, 2019****A. GENERAL INFORMATION**

Nath Pulp and Paper Mills Limited (CIN L21100MH1975PLC018289) is incorporated under the Companies Act, 1956 with its registered office at Nath House, Nath Road, Aurangabad. The company is engaged in the business of Manufacturing of Paper and Paper Board. The Company has a product range of Kraft Paper, Core Board, Thermal Paper & Coated Paper. The Factory is situated at Village Wahegaon, TqPaithan, Dist Aurangabad (MS).

The financial statement for the year ended 31st March 2019 are approved by the Board of Directors and authorized for issue on 30th May 2019.

B. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Preparation and Presentation**

- i. The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except fixed assets which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting
- ii. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use..
- iii. As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.
- iv. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained

(b) Revenue Recognition**(i) Products**

Revenue from sale of goods is recognized when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. Sales are net of sales returns, trade discounts, Good and Service Tax (GST).

(ii) Services

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue from services is recognized on completion of services

(iii) Other Income

Interest is recognized using the time-proportion method, based on rates implicit in the transaction. Goods and Service tax (GST) is accounted on the basis of both, payments made in respect of goods cleared / services provided.

(iv) Export Benefits

Export Benefits, incentives and MEIS are recognized as Income on accrual basis i.e. when the right to receive credit as per terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(c) PROPERTY, PLANT AND EQUIPMENTS

- i) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.
- ii) Properties are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.
- iii) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

- iv) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any 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
- v) New product development expenditure is capitalized to Gene/Seed Development Know-how. The same is written off in ten equal yearly installments commencing from the year in which the tangible benefits start accruing to the Company.

(d) CAPITAL WORK-IN-PROGRESS

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

(e) DEPRECIATION / AMORTIZATION

- i) Depreciation on tangible Property, plant and equipment is provided for on basis of useful life specified in Schedule II to the Act.
- ii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of Property, plant and equipment. The useful life is adopted for the purpose of depreciation is as under.

Assets	Useful life year
i) Factory Building	30
ii) Plant & Machineries	8
iii) Office Equipment	5
iv) Computers	3
v) Furniture & Fixture	10
vi) Motor Car & Light Vehicle	8

(f) IMPAIRMENT

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

(g) INVENTORIES

Items of inventories are valued at lower of the cost and net realizable value. Cost is assigned on weighted average basis. Obsolete, defective and unserviceable stocks are provided for, if any. Cost of work-in-process and finished goods include material cost and appropriate share of manufacturing overheads. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

(h) FOREIGN CURRENCY TRANSACTIONS

- i) Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.
- ii) Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

(i) GOVERNMENT GRANTS

Grants and subsidies from the government are recognized when there is reasonable assurance that (a) the company will comply with the conditions attached to them, and (b) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is reduced from the cost of the asset. Grants which are given as equity support are disclosed as promoter contribution under the head Capital Reserve

(j) EMPLOYEES BENEFITS

Liability as at the yearend in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

i) Defined Contribution Plan

The company has defined contribution plan namely Provident Fund, administered by the Regional Provident Fund Commissioner. Regular contributions made to Provident Fund are charged to the Statement of Profit and Loss. The company has no further obligation beyond making its contribution on monthly basis.

ii) Retirement benefit costs and termination benefit

Payments to defined contribution plans are recognized as expense when employees have rendered service entitling them to the contributions.

The Company determines the present value of the defined benefit obligation and recognizes the liability or asset in the balance sheet.

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year

(iii) Defined benefit costs are composed of service cost

recognized in profit or loss; service cost comprises (i) current cost which is the increase in the present value of defined benefit obligations resulting from employee service in the current period, (ii) past service cost which is the increase in the present value of defined benefit obligations resulting from employee service in the prior periods resulting from a plan amendment, and (iii) gain or loss on settlement.

Re-measurements of the liability or asset

Recognized in other comprehensive income.

Re-measurements of the liability or asset essentially comprise of actuarial gains and losses (i.e. changes in the present value of defined benefit obligations resulting from experience adjustments and effects of changes in actuarial assumptions).

Short-term benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Other long-term benefits

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date

Bonus

The company recognizes a liability and expense for bonus. The company recognizes a provision where contractually obliged or where there is past practice that has created a constructive obligation.

(k) BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred. The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset. The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset

(l) INVESTMENTS

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

- b) Long-term investments are valued at cost less provision for diminution other than temporary, in the value of such investments. Current investments are valued at lower of cost and fair value

(m) TAXATION

INCOME TAX

Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

DEFERRED TAX

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the 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. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 asset to be recovered

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities 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 and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company recognizes interest levied and penalties related to Income Tax assessments in the tax expense.

(n) EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(o) USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires Board of Directors to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

(p) PROVISION AND CONTINGENT LIABILITIES

Provisions

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of

the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities

Contingent liabilities are disclosed 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(q) CASH AND CASH EQUIVALENTS

In the Cash Flow Statement, cash and cash equivalents includes cash on hand, demand and short term deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(r) FINANCIAL ASSETS AT AMORTISED COST

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

(s) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

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 a contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payment of the principal and interest on the principal amount outstanding.

(t) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

(u) FINANCIAL LIABILITIES

Financial liabilities are measured at amortized cost using the effective interest method.

(v) EQUITY INSTRUMENTS

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. The Company recognizes equity instruments at proceeds received net off direct issue cost.

(w) RECLASSIFICATION OF FINANCIAL ASSETS

The Company determines classification of the financial assets and liabilities on initial recognitions. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

(x) OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is on intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Note -2

Non- Current Assets

Property, Plant & Equipment for the year ended 31st March, 2019

Sr	Particulars	Gross Block			Depreciation / Amortization				Net Block	
		As at 01.04.2018	Addition During the year	As at 31.03.2019	Upto 31.03.2018	Adjustment	For the Year	Upto 31.03.2019	As at 31.03.2019	Asat 31.03.2018
1	Free Hold Land	43,00,00,000	-	43,00,00,000	-	-	-	-	43,00,00,000	43,00,00,000
2	Factory Building	18,56,09,703	-	18,56,09,703	16,64,59,595	-	8,97,910	16,73,57,505	1,82,52,198	1,91,50,108
3	Plant & Machinery	136,12,06,059	3,22,15,985	139,34,22,044	129,59,30,836	-	71,17,745	130,30,48,581	9,03,73,463	6,52,75,223
4	Office Equipment	38,95,202	3,42,957	42,38,159	35,41,580	-	1,48,526	36,90,106	5,48,053	3,53,622
5	Computer	25,79,131	1,56,998	27,36,129	18,24,440	-	3,64,842	21,89,282	5,46,847	7,54,691
6	Furniture & Fixture	40,34,551	1,67,668	42,02,219	37,17,321	-	47,821	37,65,142	4,37,077	3,17,230
7	Vehicle	5,86,343	-	5,86,343	5,57,026	-	-	5,57,026	29,317	29,317
	Grand Total	198,79,10,989	3,28,83,608	202,07,94,597	147,20,30,798	-	85,76,844	148,06,07,642	54,01,86,955	51,58,80,191
	Previous Year	198,48,73,591	30,37,398	198,79,10,989	146,52,53,483	-	67,77,315	147,20,30,798	51,58,80,191	51,96,20,108

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Property, Plant & Equipment for the year ended 31st March, 2018

Sr	Particulars	Gross Block			Depreciation / Amortization				Net Block	
		As at 01.04.2017	Addition During the year	As at 31.03.2018	Upto 31.03.2017	Adjustment	For the Year	Upto 31.03.2018	As at 31.03.2018	Asat 31.03.2017
1	Free Hold Land	43,00,00,000	-	43,00,00,000	-	-	-	-	43,00,00,000	43,00,00,000
2	Factory Building	18,56,09,703	-	18,56,09,703	16,55,61,685	-	8,97,910	16,64,59,595	1,91,50,108	2,00,48,018
3	Plant & Machinery	135,91,08,104	20,97,955	1,36,12,06,059	1,29,04,61,557	-	54,69,279	1,29,59,30,836	6,52,75,223	6,86,46,547
4	Office Equipment	37,38,738	1,56,465	38,95,202	33,98,136	-	1,43,444	35,41,580	3,53,622	3,40,602
5	Computer	19,69,680	6,09,451	25,79,131	15,83,312	-	2,41,128	18,24,440	7,54,691	3,86,368
6	Furniture & Fixture	38,61,023	1,73,528	40,34,551	36,91,767	-	25,554	37,17,321	3,17,230	1,69,256
7	Vehicle	5,86,343	-	5,86,343	5,57,026	-	-	5,57,026	29,317	29,317
	Total	198,48,73,591	30,37,398	1,98,79,10,989	1,46,52,53,483	-	67,77,315	1,47,20,30,798	51,58,80,191	51,96,20,108

Note No 3
Non-Current Financial Assets
Others

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
[Unsecured, Considered Good (unless otherwise stated)]		
Security Deposits	3,60,50,580	3,87,82,342
Capital Advance	36,52,838	50,93,759
Total	3,97,03,418	4,38,76,101

Note No 4
Deferred Tax Assets (Net)

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
Liability:		
WDV of Fixed Asset	1,32,03,518	1,25,31,245
Sub Total	1,32,03,518	1,25,31,245
Assets:		
Gratuity	87,36,511	70,62,962
Expenses disallowed u/s 43B of Income Tax Act	21,52,946	11,24,900
Carried forward Unabsorbed Depreciation	18,93,40,923	19,31,68,903
Sub Total	20,02,30,380	20,13,56,765
Total Deferred Tax assets at the year end	18,70,26,860	18,88,25,520
Less: Opening Deferred Tax assets	18,88,25,520	20,62,13,056
Deferred Tax Assets recognized during the year	(17,98,658)	(1,73,87,536)
Total	18,70,26,862	18,88,25,520

Note No 5
Other Non-Current Assets

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
[Unsecured, Considered Good]		
Electricity Duty Refund Receivable	13,33,868	13,33,868
Additional Supply Charges Receivable	1,04,69,029	1,04,69,029
Deferred Sales Tax Receivable (SGST)	7,73,23,114	3,39,21,613
Total	8,91,26,011	4,57,24,510

Note No 6
Current Assets
Inventories

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
Raw Material		
Raw Materials (Waste Paper & Base Paper)	1,99,55,279	1,71,22,861
Dyes and Chemicals	4,34,35,588	2,47,43,307
Sub Total	6,33,90,868	4,18,66,168
Finished Goods: Work-in-process	7,76,067	14,86,735
Finished Products (Kraft ,Coated & thermal Paper)	5,06,70,147	4,60,72,505
Sub Total	5,14,46,214	4,75,59,240
Store , Spares & Consumables: Stores and Spare	2,59,87,944	2,60,99,312
Packing Material	7,22,779	22,61,457
Sub Total	2,67,10,723	2,83,60,769
Coal	1,00,87,765	64,46,524
Sub Total	1,00,87,765	64,46,524
Scrap and other materials	-	-
Sub Total	-	-
Total	15,16,35,569	12,42,32,701

Note no 7
Financial Assets
Trade Receivables

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
i) Secured: Considered Good		
Due for a period of less than six months	50,50,000	18,61,598
Due for a period of more than six months	-	55,02,208
ii) Unsecured: Considered Good		
Due for a period of less than six months	16,87,58,947	14,13,18,705
Due for a period of more than six months	58,82,542	5,76,330
iii) Unsecured: Considered doubtful:		
Due for a period of more than six months	34,94,370	35,19,370
Less: Provision for doubtful debtors	(34,94,370)	(35,19,370)
Total	17,96,91,489	14,92,58,841

Note: Movement in the allowances for doubtful debts

Opening provision	35,19,370	-
Add: Provision made during the year	-	35,19,370
Less: Written off during the year	25,000	-
Closing Provision	34,94,370	35,19,370

Note No 8
Financial Assets
Cash&cash equivalents

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
Cash on Hand	2,69,507	1,24,787
Bank Balances in Current Account	1,00,35,768	79,71,072
Total	1,03,05,275	80,95,859

Note No 9
Financial Assets
Others [Unsecured, Considered Good]

Particular	As at March 31, 2019 (Rupees)	As at March 31, 2018 (Rupees)
Advances against purchase	1,32,98,872	2,04,47,476
Advance to Related Parties	-	4,00,000
Insurance claim receivable	-	68,33,906
VAT Receivable	2,32,27,324	4,76,77,555
Balances with Income Tax department	3,08,546	22,84,984
Advances to Staff	6,26,761	3,09,747
Total	3,74,61,503	7,79,53,669

Note No 10
Current Assets
Other Current Assets
[Unsecured, Considered Good]

Particular	As at March 31, 2018 (Rupees)	As at March 31, 2018 (Rupees)
GST Receivable	-	36,68,195
Prepaid Expenses	7,00,702	4,52,613
Deposit with Govt Authorities (Net of Provision of Rs. 711322)	34,12,574	10,70,497
Total	41,13,276	51,91,305

Note No 11
Equity
Equity Share Capital
Authorised Share Capital

Particulars	As at 31 st March, 2019		As at 31 st March, 2018	
Equity Shares of Rs.10 each	350,00,000	35,00,00,000	350,00,000	35,00,00,000
	350,00,000	35,00,00,000	350,00,000	35,00,00,000
Issued, Subscribed and Paid up				
Equity Shares of Rs.10 each	90,00,000	9,00,00,000	90,00,000	9,00,00,000
Total	90,00,000	9,00,00,000	90,00,000	9,00,00,000

A) Reconciliation of Number of Shares, Equity Shares

Balance as at the beginning of the year	9000000	90000000	9000000	90000000
Add: Shares issued during the year	-	-	-	-
Add: Bonus Shares issued during the year	-	-	-	-
Balance as at the end of the year	9000000	90000000	9000000	90000000

B) Rights, Preferences and Restrictions attached to Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Equity shareholder is eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

C) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Sr	Particulars	As at 31.03.2019		As at 31.03.2018	
		No of Shares	% of Holding	No of Shares	% of Holding
A	Akash Farms Pvt Ltd	23,82,027	26.47	20,00,000	22.22
B	Ashu Farms Pvt Ltd	28,80,391	32.00	26,66,667	29.63
C	ARC Trust Fund	-	-	13,33,333	14.81
D	Wexford Trading Pvt Ltd	6,66,666	7.41	-	-
D	Tapovan Paper & Board Mills Ltd	20,00,000	22.22	20,00,000	22.22

Note No 12
Other Equity

Particulars	As at 31.03.2019	As at 31.03.2018
Retained Earnings	23,09,67,073	17,46,91,321
Total	23,09,67,073	17,46,91,321

Note No 13
Non- Current Liabilities - Financial Liabilities
Borrowings (Unsecured)

Particulars	As at 31.03.2019	As at 31.03.2018
Deferred Sales Tax Liabilities -VAT	23,19,85,985	23,64,19,260
Deferred Sales Tax Liabilities -SGST	7,73,23,114	3,39,21,613
Total	30,93,09,099	27,03,40,873

Note:-Deferred Sales Tax Liability of VAT as also of SGST has not been valued at fair value, which would have been Rs. 15, 88, 44,101 as required under the Ind AS - 113: Fair Value Measurement, considering the fact that the company is liable to pay entire dues to the Government as per its schedule of repayment.

Note No 14
Non- Current Liabilities
Provisions

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Employee Benefits		
Gratuity	1,99,74,082	1,84,70,742
Compensated Absence	34,42,559	29,88,577
Total	2,34,16,641	2,14,59,319

Note No 15
Current Liabilities- Financial Liabilities
Borrowings

Particulars	As at 31.03.2019	As at 31.03.2018
Secured Loans		
Term Loan from ARC Trust	-	15,24,48,287
Inter-corporate deposit from a company	17,08,17,589	15,06,28,766
Sub Total	17,08,17,589	30,30,77,053

Note:

a) Term Loan from ARC Trust

- (I) Term Loans are secured by way of first charge on movable and immovable properties of the Company including its movable plant & machinery, spares, Tools and accessories and other movables both present and future (Save and except books debts) situated at Village Wahegaon and Issarwadi, PaithanDist Aurangabad Maharashtra and collaterally secured by mortgage of certain plots of land belonging to a group company and relatives of director.
- (II) First Charge by way of hypothecation of entire current Assets, Book debts, both present and future of the Company.
- (III) Secured by mortgage of certain land and building village Wahegaon and Issarwadi, PaithanDist Aurangabad
- (IV) Secured by personal guarantee by a promoter of the Company.

b) Inter-corporate deposit from a company

Secured by pledge of shares of a group company owned by Promoter group Companies

Unsecured Loans

Particulars	As at 31.03.2019	As at 31.03.2018
From Related Parties	-	24,69,320
Loans from Companies	19,61,46,174	8,75,99,326
Loan from Other	-	45,41,277
Sub Total	19,61,46,174	9,46,09,923
Total	36,69,63,763	39,76,86,976

Note No 16
Current Liabilities - Financial Liabilities
Trade Payable

Particulars	As at 31.03.2019	As at 31.03.2018
Sundry Creditors for Supplies	16,40,83,329	19,19,01,484
Bank Over Draft	23,19,081	-
Other Creditors	1,06,78,675	72,05,370
Total	17,70,81,082	16,91,06,854

Note No 17
Current Liabilities
Other Current Liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Current Maturities of long term debts		
Term Loan from IFCI (Default for period of February 2012 to June 2017)	39,46,697	39,46,697
Sales Tax Deferral	44,33,275	-
Other Payables		
Credit Balance in Debtors	12,71,866	74,40,583
Sundry Creditors for Staff Balance	81,00,588	60,61,525
Directors Sitting Fees	89,030	1,49,000
Statutory Liabilities	70,90,921	32,30,972
Deposits from Dealer	77,01,848	80,42,647
Total	3,26,34,224	2,88,71,423

Note No 18
Current Liabilities
Provisions

Particulars	As at 31.03.2019	As at 31.03.2018
Provisions for Employee Benefits		
Gratuity	61,95,672	43,86,739
Compensated Absences	7,97,946	6,51,877
Statutory Bonus	18,84,855	18,43,315
Total	88,78,473	68,81,931

Note No 19
Revenue from Operations

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Manufactured Goods		
Sale of Paper and Paper Board	1,43,19,20,508	1,15,49,20,271
Less : Excise Duty**	-	(1,87,35,349)
Less : Discounts	(1,74,89,871)	(3,13,32,940)
	1,41,44,30,637	1,10,48,51,982
Other Operating Revenue		
Export Insensitive	2,44,28,218	2,03,149
Insurance Charges	34,27,820	31,22,482
	2,78,56,039	33,25,631
Total	1,44,22,86,676	1,10,81,77,613

**Previous financial year, excise duty was in force upto 30th June, 2017, hence the figures of excise duty for the financial year ended on 31st March 2018 are taken upto 30th June 2017.

Note No 20
Other Income

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Scrap & Other Sales	26,20,679	12,74,190
Interest Income (Interest on overdue trade receivables)	-	6,63,027
Liabilities/ Provision no longer required written back	82,45,283	38,29,795
Provision for doubtful debts written back	25,000	-
Interest Received	11,25,256	-
MSEDC Ltd Non Continuous Refund	-	1,84,13,653
Insurance Claim Received	2,13,202	68,62,037
Misc. Income	36,967	8,98,357
Total	1,22,66,387	3,19,41,059

Note No 21
Cost of Material Consumed

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Opening Stock	4,18,66,168	2,11,53,645
Add: Purchases of Raw Material & Chemicals	92,33,06,376	80,00,74,103
Less: Closing stock	(6,33,90,867)	(4,18,66,168)
Total	90,17,81,678	77,93,61,580

Major Items contributing in raw material consumption

Waste Paper	46,61,67,658	54,93,46,766
Base Paper	23,20,37,869	12,15,83,862
Chemicals	20,35,76,150	10,84,30,952
	90,17,81,678	77,93,61,580

Note No 22
Change in Inventories
(Increase)/ Decrease in Stock

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Closing Stock		
a) Finished Goods	5,06,70,147	4,60,72,505
b) Work in Process	7,76,067	14,86,735
c) Scrap & Other Material	-	-
	5,14,46,214	4,75,59,240
Opening Stock		
a) Finished Goods	4,60,72,505	3,26,85,627
b) Work in Process	14,86,735	6,94,262
c) Scrap & Other Material	-	2,68,389
	4,75,59,240	3,36,48,278
Total	(38,86,974)	(1,39,10,962)

Note No 23
Employee Benefit Expenses

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Salaries, Wages and Bonus	5,21,07,469	4,92,04,820
Contribution to Provident and Other Funds	44,24,837	40,84,639
Staff Welfare Expenses	9,21,009	7,89,158
Gratuity & Compensated Absences	38,49,885	10,18,828
Total	6,13,03,200	5,50,97,445

Note No 24
Finance Cost

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Interest Expenses*	8,83,57,498	6,17,27,643
Total	8,83,57,498	6,17,27,643

Note No 25
Depreciation Expenses

Particulars	Year Ended 31 st March, 2019 (Rupees)	Year Ended 31 st March, 2018 (Rupees)
Depreciation on Tangible Assets	85,76,844	67,77,315
Total	85,76,844	67,77,315

Note No 26
Other Expenses

Particulars	Year Ended 31st March, 2019 (Rupees)	Year Ended 31st March, 2018 (Rupees)
a) Manufacturing Expenses		
Store & Spares Consumed	4,12,95,450	2,37,77,573
Packing Material Consumed	2,02,35,538	85,38,777
Power & Fuel	17,75,37,330	13,95,78,358
Water	34,74,255	19,86,935
Labour Wages	1,97,51,014	1,41,21,971
Freight & Forwarding	2,79,21,391	39,75,258
Repairs and Maintenance (Machinery)	46,84,769	36,46,950
Repairs and Maintenance (Factory Building)	3,56,603	4,70,735
Sub Total	29,52,56,349	19,60,96,557
b) Administrative Expenses		
Rent	3,63,500	3,39,231
Rates and Taxes	6,98,876	15,34,708
Insurance	10,72,454	6,37,706
Legal & Professional Expenses	1,00,68,997	86,33,095
Repairs and Maintenance - Others	8,81,755	28,43,299
Communication	2,91,088	3,72,882
Printing & Stationery	6,11,080	4,50,504
Auditors' Remuneration:		
Statutory Audit Fee	3,00,000	2,50,000
Tax Audit Fee	50,000	50,000
Other services	1,03,500	78,000
Directors' sitting fees	75,000	80,000
Business Promotion	12,07,402	75,966
Miscellaneous Expenses	27,31,580	21,02,257
Bank Charges	2,36,232	2,71,306
Security Charges	14,84,799	16,43,428
License Inspection & Testing Fees	1,40,210	4,63,234
Electricity Expenses	2,20,353	2,81,982
Books & Periodicals	28,240	17,583
Postage & Courier	3,23,599	2,49,192
Computer Expenses	4,86,522	8,48,883
Merger Expenses	6,32,366	5,90,000
Sub Total	2,20,07,552	2,18,13,256

c) Selling Expenses

Particulars	Year Ended 31st March, 2019 (Rupees)	Year Ended 31st March, 2018 (Rupees)
Travelling and Conveyance	45,40,461	35,73,809
Advertisement and Sales Promotion	84,546	1,30,918
Membership & Subscription	60,770	94,780
Bad Debts Provisions	-	35,19,370
Sundry debit balances written off	7,18,471	21,12,898
Sub Total	54,04,248	94,31,774

d) Discount, Schemes and Incentives

Cash Discounts	6,52,052	14,11,694
Sales Commission	1,30,82,101	1,24,29,049
Special Discount	70,354	30,037
Quantity Discounts	2,44,677	8,45,389
Selling Expenses	1,52,983	1,72,417
Sub Total	1,42,02,167	1,48,88,586
Total (A+B+C+D)	33,68,70,315	24,22,30,174

Note No 27

Fair Value Measurements

Sr	Particulars	Carrying Amount		Fair Value	
		As at 31 st March 2019	As at 31 st March 2018	As at 31 st March 2019	As at 31 st March 2018

Financial Assets

Financial Assets measured at amortised cost

a	Sundry Deposits	3,60,50,580	3,87,82,342	3,60,50,580	3,87,82,342
b	Capital Advance	36,52,838	50,93,759	36,52,838	50,93,759
c	Trade Receivable	17,96,91,489	14,92,58,841	17,96,91,489	14,92,58,841
d	Cash on Hand	2,69,507	1,24,787	2,69,507	1,24,787
e	Bank Balance	1,00,35,768	79,71,072	1,00,35,768	79,71,072
f	Electricity Refund Receivable	8,91,26,011	4,57,24,510	8,91,26,011	4,57,24,510
g	Advance against Purchase	1,32,98,872	2,08,47,476	1,32,98,872	2,08,47,476
h	Receivable from Govt Authorities	2,35,35,870	5,67,96,445	2,35,35,870	5,67,96,445
i	Other Receivable	6,26,761	71,43,653	6,26,761	71,43,653

Financial Liabilities

Financial Liabilities measured at amortised cost

a	Non – Current Borrowings	30,93,09,099	27,03,40,873	30,93,09,099	27,03,40,873
b	Current Borrowings	36,69,63,763	39,76,86,976	36,69,63,763	39,76,86,976
c	Trade Payable	17,70,81,085	16,91,06,854	17,70,81,085	16,91,06,854
d	Other Payable	3,26,34,224	2,88,71,423	3,26,34,224	2,88,71,423

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale

The Company determines fair values of financial assets and financial liabilities by discounting contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all finance assets and liabilities (other than investment in mutual funds) is at amortized cost, using the effective interest method.

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credits rated instrument

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is 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, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:-

- a. Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- b. The fair value of the Company's interest borrowing received are determined using discount rate reflects the entity's borrowing rate as at the end of the reporting period. The own nonperformance risk as at the end of reporting period was assessed to be insignificant.

Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level-1: Quoted (unadjusted) price in active market for identical assets or liabilities

Level-2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level-3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observation market data.

Note No 28

Financial Instruments and Risk Review

I) Capital Management

The Company's capital management objectives are:-

The Board policy is to maintain a strong capital base so as to maintain investor, creditors and market confidence and to future development of the business. The Board of Directors monitors return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows

Particulars	As at March 31, 2019	As at March, 31 2018
Net Debts (A)*	66,59,67,587	65,99,31,990
Equity (B)**	32,09,67,073	26,46,91,321
Debt Ratio (A/B)	207.49	249.32

* Net Debts includes Non-Current borrowings, Current borrowings, Current Maturities of non-current borrowing net off Current Investment and cash and cash equivalent

** Equity Includes capital and other equity

II) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limit and creditworthiness of customers on a continuous basis to whom the credit has been granted offer necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consists of trade receivable investments, derivative financial instruments and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as under, being the total of the carrying amount of balances with trade receivables.

As on	Amount in Rupees
31 st March 2019	17,96,91,489
31 st March 2018	14,92,58,841

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or group of financial assets is impaired. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition

Before accenting any new customer, the Company uses an external/internal credit scoring system to assess potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customer are reviewed periodic basis

III) Liquidity Risk

a) Liquidity risk management

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 manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the remaining contractual maturities for its financial liabilities with agreed repayment period. The amount disclosed in the tables have been draw up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Particulars	31 st March 2019		31 st March 2018	
	Less than 1 year	1-3 year	Less than 1 year	1-3 year
Non-current Financial Liability	-	-	-	-
Loan/ Term Loan (at variable rate)	39,46,697	30,93,09,099	39,46,697	27,03,40,873
Total	39,46,697	30,93,09,099	39,46,697	27,03,40,873

c) Maturities of financial assets

The following table details the Company's expected maturity for financial assets. The table has been drawn up on based on the undiscounted contractual maturities of the financial assets including interest that will be earned such assets.

Particulars	31 st March 2019		31 st March 2018	
	Less than 1 year	1-3 year	Less than 1 year	1-3 year
Non-current Financial Assets				
Security Deposit	-	3,60,50,580	-	3,87,82,342
Capital Advance	-	36,52,838	-	50,93,759
Total	-	3,97,03,418	-	4,38,76,101

IV) Market Risk

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rate, interest rate, credit, liquidity and other market changes.

Note No 29**Contingent Liabilities not provided for in respect of:**

Particulars	Current Year (Rupees)	Previous year (Rupees)
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a) Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases

i) Disputed Demands of Central Excise & Service Tax	1,19,89,489	2,23,33,975
ii) Disputed demands of Maharashtra Value Added Tax for the year 2007-08 and 2011-12	27,14,803	43,18,970
iii) Disputed demands of Water Cess (including interest up to the date of demand)	15,98,193	15,98,193
iv) Disputed demand of Property Tax from Gram Panchayat	27,13,459	27,13,459
v) Deferred sales tax Liability transferred to another Company (with recourse)	15,86,36,440	15,86,36,440
vi) Amount of interest liability/ penalty, if any on non-levy of GST on over due interest on debtors/ delayed /non-deduction/ non-payments of certain creditors/ loans/ debenture trustee remuneration /statutory dues /Lease liability/ penal interest/ liquidated damages on secured /unsecured borrowings / Redeemable Bonds/ Labor related liability	Amount unascertainable	Amount unascertainable

b) Other money for which the Company is contingently liable

i) Liability that may arise on account of waiver being withdrawn with retrospective effect due to default in repayment to Arc Trust	Amount unascertainable	Amount unascertainable
c) Capital Commitments :- Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets (Net of advance of Rs36,52,838/- previous year Rs 16,46,000/-)	26,49,422	71,22,481

Note No 30

In the opinion of the Board, Current and Non-current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business.

Note No 31

Certain accounts of Trade Receivable, Trade Payable, Unsecured Loans, Employees, certain current account balances with banks, Loans and Advances are subject to confirmations and reconciliations, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.

Note No 32
Managerial Remuneration

Particulars	Current Year (Rupees)	Previous year (Rupees)
Mr. Akash Kagliwal (Managing Director) (ceased w.e.f. 25.03.2019)		
Salary & Allowance	27,60,000	25,20,000
Contribution to Provident Fund	-	-
	27,60,000	25,20,000
Mr. Vijay Saboo Chief Financial Officer		
Salary & Allowance	28,43,664	27,42,400
Contribution to Provident Fund	-	-
	28,43,664	27,42,400
Company Secretary		
Bhushan Puranik (01-04-18 to 15-12-18)	1,33,332	5,607
Sushant Kulkarni (15-12-18 to 31-03-19)	60,919	-
	1,94,251	5,607

Note No 33

The Company has dispatched letters to certain vendors to ascertain their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based upon the confirmation received from the following parties, the principal dues and interest worked out @36% p.a. thereon is as under:-

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	24,16,666	58,15,976
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act,	-	-
Interest due and payable towards suppliers registered under MSMED Act,	-	-
Further interest remaining due and payable for earlier years	-	-

Note:- This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.

Note No 34
Segment Reporting

In the opinion of the management, the Company is mainly engaged in the business of manufacturing of paper. As such, there are no separate reportable segments

Note No 35

In the opinion of the Board, Property, Plant and Equipment have been stated at cost, which is at least equal to or less than the realizable value if sold in the ordinary course of business. Consequently, the management is of the opinion that there is no impairment of Property, Plant and Equipment.

Note No 36**Employee Benefits**

The company has classified the various benefits provided to employees as under:

Defined Contribution Plans:

During the year, the Company has recognized the following amounts in the Profit & Loss Account

Particulars	Current year	Previous year
Employers Contribution to Provident Fund	29,76,665	30,45,806
Employers Contribution to ESI	14,29,608	10,19,834
Employers Contribution to Labour Welfare Fund	18,564	18,999

Defined Benefit Plans:

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current year	Previous year
Discount Rate	7.80%	7.80%
Salary escalation rate	7%	7%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of years	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2019

a) Change in Present Value of Defined Benefit Obligation

Present value of obligations at the beginning of the year	2,28,57,841	2,57,51,697
Current Service Cost	8,65,644	9,76,997
Past Current Service Cost	0	0
Interest Cost	17,82,884	18,59,273
Actuarial (Gain) / Loss	34,76,092	(19,12,155)
Benefit paid	(28,12,347)	(38,17,971)
Present value of obligations at the end of the year	2,61,70,114	2,28,57,841

b) Change in Fair value of plan assets

Fair Value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer's contributions	28,12,347	38,17,971
Actuarial gain / (loss) on plan assets	-	-
Benefit paid	(28,12,347)	(38,17,971)
Fair value of plan assets at the end of the year	-	-

c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2019

Obligation on the part of the Company	100%	100%
---------------------------------------	------	------

d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets

Present value of funded obligations as at the end of the year	-	-
Fair value of plan assets as at the end of the year	-	-
Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	-	-
Present value of unfunded (assets) / obligations as at the end of the year	2,61,70,114	2,28,57,841
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year	2,61,70,114	2,28,57,841

e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2019

Current Service Cost	8,65,644	9,76,997
Interest Cost	17,82,884	18,59,273
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	34,76,092	(19,12,155)
Past Service cost	-	-
Net Gratuity (income) / expense	61,24,620	9,24,115

f) Detail of Present value of obligation, Plan Assets and Experience Adjustments

Present value of obligation	2,61,70,114	2,28,57,841
Fair value of plan assets	-	-
(Surplus) / Deficit	2,61,70,114	2,28,57,841
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

g) Expected contributions to Gratuity Fund next year Rs. NIL (Previous Year Rs. NIL)

h) The liability for leave encashment and compensated absences as at year end is Rs. 42,40,505 (Previous year liability Rs. 36,40,454)

Note No 37

Related Party Transactions:

Related parties' disclosure as per Indian Accounting Standard - 24:

a) List of related parties

1. Agri Tech (India) Ltd
2. Tech India Nirman Ltd
3. Nath Biotechnologies Ltd.
4. Nath Nirman Infra Pvt Ltd
5. Tapovan International Trading Pvt Ltd
6. Nath Bio-genes (India) Ltd

b) Relative of KMP

1. Gopal Krishna Ganediwal HUF
2. Leela Ganediwal

c) Key Management Personnel:-

1. Mr. Akash Kagiwal (Managing Director) (ceased w.e.f.25.03.2019)
2. Mr. Vijay Saboo (Chief Financial Officer)
3. Bhushan Puranik (Company Secretary)
4. Sushant Kulkarni (Company Secretary)

d) Transactions carried out with related parties as referred to in (a) to (c) above, in the ordinary course of the business

Name of the Party	Nature of Transaction	Current year	Previous year
Tapovan International Trading Pvt Ltd	Purchases	24,56,61,303	43,33,25,517
Agri Tech (India) Ltd.	Amount Received	-	99,25,000
	Transfer (debit to account)	-	99,25,000
Nath Biotechnologies Ltd.	Transfer (debit to account)	2,11,417	76,02,039
	Amount Paid	2,40,00,000	-
	Transfer (credit to account)	2,11,417	1,76,75,000
	Amount Received	30,00,000	2,40,00,000
NathNirman Infra Pvt Ltd	Transfer (debit to account)	-	20,482
	Transfer (debit to account)	-	20,482
Gopal Krishna Ganediwal HUF	Interest paid	1,73,097	5,40,002
	Loan repaid	45,41,277	63,544
Tech India Nirman Ltd	Transfer (credit to account)	30,00,000	-

e) Outstanding balances at the year end

Name of the Party	As at 31.03.2019	Dr/ Cr	As at 31.03.2018	Dr/ Cr
Tapovan International Trading Pvt Ltd	5,03,61,886	Cr	5,03,61,886	Cr
Nath Biotechnologies Ltd.	1,30,72,961	Cr	3,40,72,961	Cr
Gopal Krishna Ganediwal HUF	-	Cr	45,41,277	Cr
Tech india Nirman Ltd	-	Dr	30,00,000	Dr

Note

1. Related party relationship is as identified by the Company and relied upon by the Auditors.
2. No amounts in respect of related parties have been written off/back during the year, nor have been provided for as doubtful debts.

Note No 38

Foreign Currency Transactions

CIF Value of Imports:

Particulars	Current year	Previous year
Raw material and Chemicals	44,32,18,460	21,60,12,047
Store & Spares	21,87,469	6,50,074
Fixed Assets Purchase	2,19,612	-
Expenditure in Foreign Currency: - Travelling Expenses	12,58,645	-
Earning in Foreign Currency: F O B value of Exports	26,19,30,512	-

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Rupees	%	Rupees	%
Imported / High Seas Purchase				
Raw Material & Chemicals (Imported & High Seas)	21,86,69,943	23.19	13,41,49,124	16.79
Stores & Spare Parts	21,87,469	0.23	-	0.00
Total (A)	22,08,57,412	23.42	13,41,49,124	16.79
Indigenous				
Raw Material & Chemicals	68,31,11,735	72.43	64,09,86,764	80.23
Store & Spare parts	3,91,07,981	4.15	2,37,77,573	2.98
Total (B)	72,22,19,715	76.58	66,47,64,337	83.21
Total (A+B)	94,30,77,127	100	79,89,13,461	100

Note No 39

Difference in Foreign Exchange Gain (Loss) included in other income

Particulars	Current year	Previous year
Difference in Foreign Exchange Gain (Loss) included in other income	85,23,624	22,618

Note No 40

Expenditure on Corporate Social Responsibility Activities

As the company is not covered under criterion specified under the provisions of section 135 of the Companies Act, 2013, the company is not liable for spending any amount towards corporate social responsibility.

Note No 41

The net profit (loss) for the purpose of measurement of basic and diluted earnings per share in terms of Ind Accounting Standard - 33 on Earnings per Share issued by the Institute of Chartered Accountants of India has been calculated as under:

Particulars	Current Year	Previous year
Net Profit (loss) as per Profit & Loss Account	5,62,75,752	17,53,941
Less :- Dividend on Preference Shares	-	-
Numerator: Profit Available for equity share holders	5,62,75,752	17,53,941
Denominator: Weighted Average Number of Equity shares outstanding (nos.)	90,00,000	90,00,000
Denominator for Diluted equity share holder	90,00,000	90,00,000
Basic Earnings per share is arrived at by dividing Numerator by Denominator	6.25	0.19
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by Denominator	6.25	0.19
The nominal value per equity shares is Rupees	10	10

Note No 42

During the year, the Company has not appointed internal auditor as per the provisions of section 138 of the Companies Act, 2013. However, company has adequate inter control systems commensurate with the size of company and nature of its business.

Note No 43

As per the directions given by Hon'ble BIFR vide sanctioned scheme dated 14th February, 2012

- i) The Department of Sales Tax, Govt. of Maharashtra, vide its order dated 9th May 2017, has extended the repayment period of Deferred Sales Tax amounting to Rs. 33,20,25,495 under the package scheme of incentive 1988, of Government of Maharashtra by a further 8 years. Accordingly, the repayment will start from April 2019.
- ii) The Department of Industries, Government of Maharashtra has sanctioned vide their letter dated 07.12.2015, extension of Eligibility for the unutilized CQB of Rs. 19,51,74,505 under PSI-1988, for a further period of 5 years i.e. from 1st November, 2015 to 31st October, 2020
- iii) In accordance with extended eligibility, the company has utilized Rs.4 34 01 501 during the year(Previous Year Rs. 4,48,24,027)vide Addenda No IX Dt. 29/02/2016 issued by Joint Director of Industries, Aurangabad Region, Aurangabad.

Note No 44

- i) Pursuant to the order of Hon'ble BIFR dated 11th November, 2013, the dues of IFCI is repayable w.e.f. 14th February, 2012 in 16 equal quarterly installments of Rs.5,12,500 each along with simple interest @ 12.50% p.a. on reducing balance method. As on 31st March 2019, the company has paid entire principal dues leaving interest amounting to Rs. 39,46,697 which is yet to be paid.

Note No 45

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

For and on behalf of the Board of Directors

Jeevanlata Kagliwal
Director
DIN No 01691724

Ashu Jain
Director
DIN 00243310

Place: Aurangabad
Date: 30.05.2018