LYNX MACHINERY AND COMMERCIALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1 : Corporate Information

Lynx Machinery And Commercials Limited is a public limited company domiciled in India. The company is primarily engaged in the business of warehousing. Its shares are listed on Bombay Stock Exchange. The registered office of the company is located at Mumbai.

The financials statements were approved for issue in accordance with the resolution of the Board of Directors on 27th May 2019.

2 : Summary of significant accounting policies

2.1 Basis of preparation

2.1.1 Compliance with Indian Accounting Standards (Ind AS)

The financial statements are prepared on accrual basis of accounting and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

The financial statements up to year ended 31st March 2017 were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act.

The previous year's financial statements were the first financial statements of the company under Ind AS and Ind AS 101 "First Time Adoption of Indian Accounting Standards" was applied. Refer Note 21 for an explanation of how the transition from previous GAAP to Ind AS affected the company's financial position, financial performance and cash flows for the previous financial year.

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 Companies Act, 2013. Based on the nature of products / services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1.2 Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost conventions, except for certain financial assets and financial liabilities which are measured at fair value as explained in the accounting policies below.
The methods used to measure fair values are discussed in Note 2.13

2.1.3 Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Rupee for the Company.

2.1.4 Use of estimates and management judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures including contingent assets and liabilities at the Balance Sheet date. The estimates and management's judgements are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised. In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have the most significant effect on the amount recognised in the financial statements are included in the following notes:

a) Useful life of Property, Plant and Equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, completion and other economic factors (such as the stability of the industry and known technological advancement) and the level of maintenance expenditure required to obtain the expected future cash flows from the assets.

b) Recoverable amount of property, plant and equipment and capital work in progress

The recoverable amount of property, plant and equipment and capital work in progress is based on estimates and assumptions. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount resulting in impairment.

c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgement by management regarding probable outflow of economic resources. Such estimation can change due to unforeseeable developments.

d) Impairment of the Trade Receivables

Considering the historical credit loss experience for trade receivables, the Company applies the simplified approach of recognising the expected losses from initial recognition of the receivables on case to case basis as provision for impairment.

2.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors is collectively the Company's CODM. Based on the synergies, risks and returns associated with business operations and in terms of Ind AS 108, the Board of Directors of the Company has assessed that the Company is predominantly engaged in the business of a single reportable segment of warehousing during the year. Therefore disclosure requirements of Ind AS 108 on Operating Segments are not applicable to the Company.

2.3 Revenue Recognition and Other Income

Revenue is recognised when significant risks and rewards of ownership have been transferred to the buyers and to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

2.3.1 Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

2.3.2 Interest

Interest Income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.3.3 Income Taxes

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Additional income taxes that arise from the distribution of dividends are recognised at the same time the liability to pay the related dividend is recognised.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

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

2.4 Impairment of non financial assets other than inventories

a) The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any Indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered fied, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

2.5 Statement of Cash Flows

a) Cash and Cash equivalents

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

b) Statement of Cash Flows is prepared in accordance with the indirect method prescribed in Ind AS-7" Statement of Cash Flow"

2.6 Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost less provision for impairment.

2.7 Financial Assets other than Investments in subsidiaries and joint venture

2.7.1 Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

2.7.2 Measurement

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

<u>Debt Instruments</u>

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its Debt instruments.

- Amortized Cost

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

- Fair Value through Other Comprehensive Income (FVOCI)
  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair Value through profit and loss
  Assts that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

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

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

2.7.3 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 2.26 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach of recognising the expected losses from initial recognition of the receivables on case to case basis as provision for impairment.

2.7.4 De-recognition of financial assets

A financial asset is derecognised only when

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

2.7.5 Offsetting financial instruments

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

2.8 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Transition to Ind AS

Property, Plant and Equipment upto 31st March, 2016 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by Ind AS 101 “First Time adoption of Ind AS” to regard those amounts as ‘Deemed cost’ at the date of transition to Ind AS (i.e. as on 1st April, 2016).

Stand-by equipments and servicing equipments which meet the recognition criteria of property, plant and equipment are capitalised. Spare parts (procured along with Plant & Machinery) or subsequently which meet the recognition criteria are capitalised. Other spare parts are treated as “Stores & Spares” forming part of inventory.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortised on a straight line basis over the period of lease.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other gains/ (losses).

2.9 Investment Properties

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

Transition to Ind AS

Investment property upto 31st March, 2016 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by Ind AS 101 “First time adoption of Ind AS” to regard those amounts as deemed cost at the date of transition to Ind AS.

2.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value/transaction value and subsequently measured at amortised cost using the effective interest method.

2.11 Borrowings Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.12 Financial liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company.
The Company's financial liabilities include loans & borrowings, trade and other payables.

a) Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transactions costs that are directly attributable and subsequently measured at amortised cost. Financial liabilities are classified as subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, over the period of the borrowings using the effective rate of interest.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

b) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, when the liabilities are derecognised as well through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.13 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. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

2.14 Provisions, Contingent liabilities and Contingent Assets

Provisions for legal claims, discounts, and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company, such obligation is disclosed as contingent liability.

Contingent Assets are possible assets that arise from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in financial statements when in flow of economic benefits is probable on the basis of judgement of management.

LYNX MACHINERY AND COMMERCIALS LIMITED

3 : Property, Plant and Equipment

(Amount in Rs.)

Carrying amount of :	As at March 31, 2019	As at March 31, 2018
Leasehold Land and Development	7,720	7,720
Building on Leasehold / Rented Land	3,06,646	3,27,793
Plant & Machinery	9,660	9,660
Electric Fittings & Equipments	6,540	6,540
Furniture, Fixtures & Office Equipments	83,370	86,790
Motor Vehicles	5,58,143	6,36,891
Tube-Well	12,960	12,960
Computers	10,359	10,359
Sub-Total (A)	**9,95,398**	**10,98,713**
Investment Property		
Land & Building	49,78,640	49,78,640
Sub-Total (B)	**49,78,640**	**49,78,640**
Total (A) + (B)	**59,74,038**	**60,77,353**

Cost or deemed cost	Leasehold Land and Develop-ment	Building on Leasehold/ Rented Land	Plant & Machin-ery	Electric Fittings & Equi-pments	Furniture Fixtures & Office Equipm-nts	Motor Vehicles	Tube-Well	Computer	Total
Balance as at April 1, 2017	**7,720**	**3,70,087**	**9,660**	**6,540**	**93,630**	**2,62,580**	**12,960**	**10,359**	**7,73,536**
Add : Additions	-	-	-	-	-	6,63,140	-	-	6,63,140
Less : Disposal / Adjustments /Transfer of assets	-	-	-	-	-	2,62,580	-	-	2,62,580
Balance as at March 31, 2018	**7,720**	**3,70,087**	**9,660**	**6,540**	**93,630**	**6,63,140**	**12,960**	**10,359**	**11,74,096**
Add : Additions	-	-	-	-	-	-	-	-	-
Less : Eliminated on disposal / adjustments / transfer of assets	-	-	-	-	-		-	-	-
Balance as at March 31, 2019	**7,720**	**3,70,087**	**9,660**	**6,540**	**93,630**	**6,63,140**	**12,960**	**10,359**	**11,74,096**

Accumulated depreciation	Leasehold Land and Develop-ment	Building on Leasehold/ Rented Land	Plant & Machin-ery	Electric Fittings & Equi-pments	Furniture Fixtures & Office Equipm-nts	Motor Vehicles	Tube-Well	Computer	Total
Balance as at April 1, 2017	**-**	**21,147**	**-**	**-**	**3,420**	**77,815**	**-**	**-**	**1,02,382**
Add : Depreciation Expense	-	21,147	-	-	3,420	78,126	-	-	1,02,693
Less : Eliminated on disposel/ Adjustments /Transfer of assets	-	-	-	-	-	1,29,692	-	-	1,29,692
Balance as at March 31, 2018	**-**	**42,294**	**-**	**-**	**6,840**	**26,249**	**-**	**-**	**75,383**
Add : Depreciation Expense	-	**21,147**	-	-	3,420	78,748	-	-	1,03,315
Less : Eliminated on disposal / adjustments / transfer of assets	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	**-**	**63,441**	**-**	**-**	**10,260**	**1,04,997**	**-**	**-**	**1,78,698**

3.1

The Company had elected to continue with the carrying value of its property, plant and equipment recognised as of April 1, 2016 measured as per Previous GAAP and used that carrying value as its deemed cost as on the transaction date as per D7AA of Ind AS 101 First-time adoption of indian Accounting Standards' [Refer note 21]

4. Investments

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Investments at Fair value through OCI (Fully paid)		
Quoted Equity Shares		
2000 Equity Shares (31st March 2018 : 2000) of Rs. 10 each held in Hindustan Oil Exploration Co. Ltd.	2,59,200	2,20,900
110000 Equity Shares (31st March 2018 : 224500) of Rs. 10 each held in Abhinandan Enterprises Ltd.	10,34,000	22,45,000
94500 Equity Shares (31st March 2018 : 194500) of Rs. 10 each held in Bhairav Enterprises Limited	15,88,545	19,45,000
24000 Equity Shares (31st March 2018 : 24000) of Rs. 10 each held in Mrugesh Trading Limited	2,94,480	78,000
94500 Equity Shares (31st March 2018 : 194500) of Rs. 10 each held in Rishabh Enterprises Ltd.	16,56,585	19,45,000
68600 Equity Shares (31st March 2018 : 68600) of Rs. 10 each held in Shri Gurudev En-Trade Ltd.	8,33,490	5,93,000
- Equity Shares (31st March 2018 : 23550) of Rs. 10 each held in Vishvprabha Trading Ltd.	-	97,775
Aggregate amount of Quoted Investments (A)	**56,66,300**	**71,24,675**
Unquoted Equity Shares		
Equity Shares (31st March 2018 : 1100) of Rs. 10 each held in Cymose Metals Pvt. Ltd.	-	12,100
450 Equity Shares (31st March 2018 : 450) of Rs. 10 each held in Konkan Investment Co. Pvt. Ltd.	40,500	40,500
500 Equity Shares (31st March 2018 : 500) of Rs. 10 each held in Warden International Pvt. Ltd.	50,000	50,000
1000 Equity Shares (31st March 2018 : 1000) of Rs. 10 each held in A-One Commerce Pvt. Ltd.	10,000	10,000
Aggregate amount of Unquoted Investments (B)	**1,00,500**	**1,12,600**
TOTAL (A) + (B)	**57,66,800**	**72,37,275**

Aggregate Amount of Market Value of Quoted Investment	Not available*	Not available*
Aggregate amount of impairment in value of investments	Not ascertalned	Not ascertalned

*Apart from investment in equity shares in Hindustan Oil Exploration Co. Ltd., the other quoted equity shares are not actively traded on the exchange, hence their market value as at the year end could not be ascertained. In the circumstances, cost has been considered to be an appropriate estimate of fair value.

5 : Loans

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
A. Non Current		
Security Deposits		
Unsecured, considered good	11,99,370	12,02,753
	11,99,370	**12,02,753**
B. Current		
To bodies corporate (induding interest receivable)		
Unsecured, considered good	12,27,597	80,21,239
	12,27,597	**80,21,239**

6 : Trade Receivables

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Unsecured, considered good	24,45,169	27,24,920
	24,45,169	**27,24,920**
Trade Receivables include debtors under litigation amounting to	**24,45,169**	**24,45,169**

(Refer Note No. 22)

7 : Cash and Cash Equivalents

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Balances with Banks		
In Current Accounts	17,71,704	5,34,030
Cheque in Hand	2,73,633	-
Cash on Hand	24,882	5,384
	20,70,219	**5,39,414**

8 : Current Tax Assets (Net)

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Current Tax Assets (Net)	7,29,467	6,44,275
	7,29,467	**6,44,275**

9 : Other Current Assets

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Advances recoverable in cash or in kind or for value to be received	3,88,575	4,84,011
	3,88,575	**4,84,011**

10 : Equity Share Capital

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
a) Authorised		
2,500,000 Equity Shares of par value Rs. 10 Each (As at 31st March 2018 : 2,500,000 Equity Shares of par value Rs. 10 Each)	2,50,00,000	2,50,00,000
	2,50,00,000	**2,50,00,000**
b) Issued, Subscribed and Paid-up.		
6,00,000 Equity Shares of par value Rs. 10 Each Fully paid up.	60,00,000	60,00,000
(As at 31st March 2018 : 6,00,000 Equity Shares of par value Rs. 10 Each)		
	60,00,000	**60,00,000**

c) : The reconciliation of the number of shares outstanding as at March 31, 2019 and March 31,2018 is set out below :

PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	(Amount in Rs.)	No. of Shares	(Amount in Rs.)
Equity Shares				
Shares outstanding at the beginning of the year	6,00,000	60,00,000	6,00,000	60,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**6,00,000**	**60,00,000**	**6,00,000**	**60,00,000**

d) : Rights, Preference and Restriction attached to Shares

Voting right of every holder of Equity Shares shall be in proportion to his share of the paid up Equity Capital of the Company on every resolution placed before the company, and shall be entitled for Dividends as recommended by the Board of Directors in the particular year.

In the event of liquidation, Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e) : Details of shareholders holding more than 5 % of the aggregate Shares in the Company

	31.03.2019		31.03.2018	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares				
Rishabh Enterprises Ltd.	34,450	5.74	34,450	5.74
	34,450	**5.74**	**34,450**	**5.74**

f) : Information regarding issue of shares in the last five years

PARTICULARS	31.03.2019 No	31.03.2018 No
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium	Nil	Nil
Equity Shares allotted as fully paid - up pursuant to contracts for consideration other than cash	Nil	Nil
Equity shares bought back by the company	Nil	Nil

11 : Other Equity

PARTICULARS		31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Reserve & Surplus			
<u>Capital Reserve</u>			
Balance as per last account		**55,34,958**	**55,34,958**
Addition/ Deduction		**-**	**-**
Closing Balance	**A**	**55,34,958**	**55,34,958**
The Capital Reserved is utilised in accordance with the provisions of the Act.			
Retained Earnings			
<u>Profit & Loss Account</u>			
Opening Balance		(2,04,573)	41,97,096
Profit / (Loss) during the year		(37,23,829)	(44,01,669)
Colsing Balance	**B**	**(39,28,402)**	**(2,04,573)**
<u>Other Comprehensive Income</u>			
Balance as at the beginning of the year		1,57,700	**94,900**
Add / (less) : Changes in fair value of FVOCI Equity instruments		17,84,400	62,800
Balance at the end of the year	**C**	**19,42,100**	**1,57,700**
	A+B+C	**35,48,656**	**54,88,085**

The Company has elected to recognise changes in the fair value of certain investment in equity instruments in Other Comprehensive income. These changes are accumulated within equity. The company transfers amounts from this balance to retained earnings when the relevent equity instruments are derecognised.

12 : Borrowings

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Term Loan		
From related party(ies)		
From a Director (Refer Note No 28) - Unsecured	-	51,88,379
	-	**51,88,379**

13 : Deferred Tax Liabilities

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Deferred Tax Liabilities (Net) Excess of Depreciation as per provisions of the income tax Act, 1961 over Depreciation as per books of accounts	-	-
	-	**-**

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

14 : Trade Payables

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Micro and Small Medium Enterprises		
(Refer Footnote 'A')	-	-
Accrued Expenses and Others	5,77,709	5,63,375
	5,77,709	**5,63,375**

A. The Company does not have any Sundry Creditors for goods as on the date of the Balance Sheet. Hence, disclosure of information as required under Micro, Small and Medium Enterprises Act 2006 is not Applicable.

15 : Other Current Liabilities

PARTICULARS	31.03.2019 (Amount in Rs.)	31.03.2018 (Amount in Rs.)
Statutory Dues	17,016	33,548
Advances Received	71,37,854	71,37,853
Sundry Deposits	25,20,000	25,20,000
	96,74,870	**96,91,401**

LYNX MACHINERY AND COMMERCIALS LIMITED

16 OTHER INCOME

Particulars	31.03.2019 (Ammount in Rs.)	31.03.2018 (Ammount in Rs.)
Interest received	4,33,026	7,68,464
Commission Received	-	2,94,475
Profit on sale of fixed assets	-	5,112
Profit on sale of Investments	18,63,975	-
Prior Period Interest Income	-	1,03,664
	22,97,001	**11,71,715**

17 EMPLOYEE BENEFITS EXPENSE

Particulars	31.03.2019 (Ammount in Rs.)	31.03.2018 (Ammount in Rs.)
Salary, Bonus, Gratuity & Other Benefits	18,43,041	15,70,175
Employer's Contribution to Provident & Other Funds	1,29,628	1,30,860
Staff Welfare Expenses	39,427	39,241
	20,12,096	**17,40,276**

The company's liability in respect of Gratuity payable to employees has been funded with Life Insurance Corporation of India (LICI).

18 FINANCE COSTS

Particulars	31.03.2019 (Ammount in Rs.)	31.03.2018 (Ammount in Rs.)
Interest Paid on Loan	3,12,367	2,09,310
	3,12,367	**2,09,310**

LYNX MACHINERY AND COMMERCIALS LIMITED

19 : OTHER EXPENSES

Amount in Rupees

Particulars	31.03.2019 (Ammount in Rs.)	31.03.2018 (Ammount in Rs.)
Rent & Services	1,01,160	1,16,160
Rates & Taxes	1,73,524	1,05,254
Electricity Charges	1,52,029	1,54,187
Insurance	25,462	54,941
Printing & Stationery	99,005	80,650
Security Charges	4,32,750	4,38,380
Office Usage Charges	-	15,000
Traveling & Conveyance	2,75,146	2,77,346
Motor Vehicles Up-Keep	1,31,673	1,17,120
Legal & Professional Charges	10,12,500	8,82,320
Telephone Charges	37,316	43,644
Miscellaneous Expenses	6,04,611	3,68,183
GST & Service Tax	1,54,793	1,01,806
Commission Paid	-	1,47,237
Listing Fee	2,50,000	2,50,000
Advertisement	33,472	26,782
Repairs & Maintenance	55,610	2,88,096
Auditors Remuneration		
As Auditors	51,000	51,000
For Others	3,000	3,000
Service Tax	-	-
	35,93,052	**35,21,106**

20 EARNING PER SHARE

Particulars	31.03.2019	31.03.2018
Profit / (Loss) after tax (Rs)	(37,23,829)	(44,01,669)
Weighted average number of Equity shares outstanding during the year	6,00,000	6,00,000
Face value of each Equity share (Rs)	10	10
Basic/Diluted Earning per share (Rs)	(6.21)	(7.34)

21 : First-time adoption of Ind AS in the previous financial year

The previous year's financial statements were the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2, were applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information for the year ended 31st March, 2017 and in preparation of an opening Balance Sheet as at 1st April, 2016. In preparing its opening Balance Sheet, amounts reported previously in financial statements were adjusted suitably. An explanation of how a transition from the previous GAAP to Ind AS affected the company's financial position, financial performance and cash flows for the previous financial year is set out in the following tables and notes:

21.1 Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

21.1.1 Ind AS Optional Exemptions

21.1.1.1 Business combination

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The exemption can also be used for investment property covered by Ind AS 40 Investment Properties.

Accordingly the Company has elected to measure all of its property, plant and equipment, and investment property at their previous GAAP carrying value.

21.1.1.2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, measured as per the previous GAAP and use that as its deemed cost at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment, and investment property at their previous GAAP carrying value.

21.1.1.3 Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of facts and circumstances at the date of transition to Ind AS. The entity has elected to apply this exemption for its investments.

21.1.2 Ind AS mandatory exceptions

21.1.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

21.1.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition retrospectively from a date of entity's choosing. The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

21.1.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The entity has applied this exception.

21.1.2.4 Fair valuation of investments

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognized in retained earnings as at the date of transition.

21.1.2.5 Trade receivables

The Company applies the simplified approach of recognising the expected losses from initial recognition of the receivables on case to case basis as provision for impairment.

21.1.2.6 Investment property

Under the previous GAAP, investment properties were presented as part of Investments. Under Ind AS, these are required to be separately presented on the face of Balance Sheet.

22 : CONTINGENT LIABILITIES AND COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

Claims against the Company not acknowledged as debts Rs 74.44 lacs (PY Rs 74.44 lacs) and interest thereon.It includes a sum of Rs. 38,19,817 towards amount claimed by a trade debtor. A suit was filed by the said trade debtor in 1996 for recovery of Rs. 38,19,817 from the company together with interest. The Hon'ble City Civil & Sessions Court, Greater Mumbai, ordered the company to pay Rs. 29,38,735 to the said party plus interest from date of filing of suit, vide their order of 20.10.2018. The Company has filed an appeal against the said order of The Hon'ble City Civil & Sessions Court, Greater Mumbai, before Hon'ble High Court Mumbai. Attention is also drawn to the fact that Trade Receivablels (Note No 6) include a sum of Rs. 21,34,761 receivable by the company from the said trade debtor. The management is hopeful of recovery of this amount. Effect will be considered in the accounts on final outcome of the issue.

23 : In respect of company's leasehold premises, the company has claimed certain amounts from the sub-lessee towards damages caused by them to the company's property during their occupation, against which the company has witheld the security deposit. Against the same, the sub-lessee has filed a suit against the company which according to the management is not maintainable.The matter is sub-judice, and final effect will be considered in the accounts when the issue is finally settled.

24 : DISCLOSURE AS REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

A. Particulars of loan given

Name	Remi Edelstahl Tubular Ltd.
Amount of loan given (Rs) (outstanding as on 31.03.2019) (excl interest accrued thereon)	10,00,000
Period for which loan given (months)	Payable on Demand
Rate of interest	9.00%
Purpose for which loan is given	For business purpose

B. Particulars of Investments made - Disclosed in Note No 4

25: Based on the synergies, risks and returns associated with business operations and in terms of Ind AS – 108, the Company is predominantly engaged in the business of a single reportable segment of warehousing during the year. Therefore disclosure requirements of Ind AS - 108 on Segment Reporting are not applicable.

26 : In the opinion of the Board, any of the assests other than Fixed Assets have a value on realization, in the ordinary course of business, at least equal to the amount at which they are stated.

27 : The management is of the opinion that no case of impairment of asset exist under the provision of Ind AS - 36 on Impairment of Assets as at 31.03.2019

28 : RELATED PARTY DISCLOSURE AS REQUIRED BY ACCOUNTING STANDARD-18 ISSUED BY THE ICAI

Sl. No.	Name of the Releated Party	Relationship	Nature of transaction during the year	Volume of transaction during the year	Balance outstanding as at 31.3.19 Receivable/ (Payable)	Balance outstanding as at 31.3.18 Receivable/ (Payable)
				(Rupees)	(Rupees)	(Rupees)
1	Mr Pradyumna Jajodia	Director & Key Management Person	Unsecured loan Taken during the year Repaid during the year Interest Paid Sale of investments	 10,00,000 63,89,570 2,23,546 10,800	 -	 (51,88,379)
2	Mr Padmanabh Jajodia	Director & Key Management Person	Unsecured loan Taken during the year Repaid during the year Interest Paid Sale of investments	 31,00,000 31,79,939 88,821 9,000	 -	 -
3	Pragati Holdings Pvt. Ltd.	Same Person able to exercise significant influence	Sale of Investments	16,86,500	-	-
4	Subrosa Trading Enterprises LLP	Same Person able to exercise significant influence	Sale of Investments	6,83,200	-	-
5	Terra Firma Trading LLP	Same Person able to exercise significant influence	Sale of Investments	9,64,150	-	-
6	Amisha Engineering Pvt. Ltd.	Same Person able to exercise significant influence	Deposits Paid	-	- 4,00,000	- 4,00,000

Note: There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties

As per our report attached

FOR A. PATWARI & CO.
Chartered Accountants
Firm registration No. : 326300E

ARVIND PATWARI
Proprietor
Membership No. 065505
70, Diamond Harbour Road, Kolkata-700 023
The 27 Day of May 2019

For and on behalf of the Board of Directors
Lynx Machinery And Commercials Limited

Harish Kumar Jajodia
Director
DIN : 00075508

Pradyumna Jajodia
Director
DIN : 00138175