Raymond LIMITED

REPORTS AND ACCOUNTS OF SUBSIDIARY COMPANIES

2016-17

Raymond LIMITED

REPORTS AND ACCOUNTS OF SUBSIDIARY COMPANIES 2016-17

CELEBRATIONS APPAREL LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS :	SHRI H. SUNDER SHRI ASHISH GROVER SHRI VISHAL BIST SHRI BIBEK AGARWALA
STATUTORY AUDITORS :	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
INTERNAL AUDITORS :	MESSRS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE :	PLOT NO.156/H.No.2, VILLAGE ZADGAON, RATNAGIRI - 415612, MAHARASHTRA.

CELEBRATIONS APPAREL LIMITED
(CIN: U18100PN2004PLC140524)
DIRECTOR'S REPORT

To,
The Members of CELEBRATIONS APPAREL LIMITED

Your Directors take pleasure in presenting their Thirteenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2017.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

This company has a state-of-the art manufacturing facility for formal shirts. The gross turnover of the Company for FY 2017 was Rs 87.41 Crore (Previous Year: Rs. 76.75 crore). The Company has a profit of Rs. 0.43 Crore after tax (Previous Year: Loss: Rs. 0.83 crore).

During the year under review, the Company focused on imparting training to operators, obtaining manufacturing consistency and operational efficiencies.

2. DIVIDEND

In view of losses, your Directors do not recommend any dividend for this financial year.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs. Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of the ensuing Annual General Meeting of the Company. The Company places on record its appreciation for the services rendered by Messrs. Dalal & Shah LLP, Chartered Accountants, as Statutory Auditors of the Company.

Further, Subject to approval of member in the ensuing Annual General Meeting, the Board of Directors of the Company has recommended the Appointment of M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), as statutory auditors of the Company in terms of Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There has been no qualification, reservation or adverse remark or disclaimer made by the auditors in their audit report.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures.

The Company has entrusted the internal and operational audit to Messrs Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs 2.71 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company in their individual capcity

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

9. DIRECTORS

A] Changes in Directors

During the year under review, there has been no change in the composition of Board of Directors of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Ashish Grover, Director of the Company retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

Shri H. Sunder has decided to relinquish his office of Director from the Company with effect from April 28, 2017. The Board has placed on record its sincere appreciation and gratitude for contributions made by him during his tenure as Director.

During the year, five Board Meetings were held viz. April 21, 2016, July 19, 2016, October 24, 2016, January 23, 2017 and February 28, 2017.

Sr. No.	Name of Director	DATE OF BOARD MEETING				
		21.04.2016	19.07.2016	24.10.2016	23.01.2017	28.02.2017
1	Shri H. Sunder	✓	✓	✓	✓	✓
2	Shri Ashish Grover	✓	✓	✓	-	-
3	Shri Vishal Bist	✓	✓	✓	✓	-
4	Shri Bibek Agarwala	✓	✓	✓	✓	✓

10. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

11. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of foreign exchange rates, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the same.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and Profit of the company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The report on particulars of conversation of Energy, Technology absorption and foreign exchange earnings and outgo are mentioned in "**Annexure A**"

14. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure B**".

15. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

16. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. No Complaints have been received during the year under the review.

17. ACKNOWLEDGEMENT

Your Directors express their warm appreciation to all its employees for their diligence and contribution. The Board records its grateful appreciation for the co-operation, support and valuable guidance received from banks, central and state government authorities, customers and suppliers.

For and on behalf of the Board of
CELEBRATIONS APPAREL LIMITED

	sd/-	sd/-
	Bibek Agarwala	**Vishal Bist**
Place: Mumbai	**(Director)**	**(Director)**
Date: April 26, 2017	**DIN: 07267564**	**DIN: 07215218**

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.)

(A) Conservation of energy-

I. Steps taken or impact on conservation of energy

- We extended fusing machine belt to utilize the maximum area of the fusing machine and stopped one fusing machine. We are saving 25kw per hour
- We made portable air compressor (2HP) in house for using limited number of machines rather than using centralized air compressor (40HP) in OT hours.

II. Steps taken by the Company for utilising alternate sources of energy

NIL

III. Capital investment on energy conservation equipment

Currently investing on low cost equipments as mentioned above.

(B) Technology absorption-

I. Efforts made by the company towards technology absorption

- We introduced fabric roll management to save fabric
- Introduced photo analysis in .net for pattern development in MTM
- We started using v.stitch software for order tracking in MTM
- Installed conveyor system is in line 1 for finishing department
- Developed indigenous laser light attachment for button attach operation for button down collar to eliminate manual marking and accuracy of button placement
- Introduced barcode scanning line wise in finishing section

II. The benefits derived like product improvement, cost reduction, product development or import substitution

- Collar, cuff ,front placket topstitch changed from 5mm to 3mm to improve the look in dress shirt in MTM
- Introduced pocket marking in two places in left front to improve the quality of pocket attachment
- Created space in finishing section by implementing lean and made space for packing (Earlier we were doing packing in ware house)
- Reduced dry haul time(10%) in automatic cutting machine (CAM) by changing algorithm/parameters to increase cutting productivity
- Increased bite length in cutting machine by upgrading the software to increase the cutting productivity
- Trained our mechanics to repair sewing machine control board in house and stopped sending the control boards outside for repair

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
None

IV. The expenditure incurred on research and development
Development of application to improve transparent communication between departments and to track production and maintenance and other related issues is in implementation stage.

(C) Foreign exchange earnings and Outgo –
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(i) Earnings: Rs. 34.56 Crores (Previous Year: Rs. 23.63 Crore)
(ii) Outgo: Rs. 7.14 Crores (Previous Year: Rs6.56 Crore)

ANNEXURE B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U18100PN2004PLC140524
2.	Registration Date	September 16, 2004
3.	Name of the Company	Celebrations Apparel Limited
4.	Category/Sub-category of the Company	Company limited by shares Indian Non-Government company
5.	Address of the Registered office & contact details	Plot No.156 / H. No.2, Village Zadgaon, Ratnagiri - 415612, Maharashtra Ph. no.: 02352-232514 Fax: 02352-232513
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd C-101, 247 Park, L.B.S Marg, Vikhroli (West) Mumbai- 400083 Contact No: 022-49186270 022-49186260

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sale of Products(Shirts)	18101	92%
2	Job Work Charges(Shirts)	18101	8%

III PARTICULARSOFHOLDING,SUBSIDIARY AND ASSOCIATECOMPANIES

Sr. No.	Nameand Address of the Company	CIN / GIN	Holding/ Subsidiary/Associate	% of shares Held	Applicablesection
1	**Raymond Limited with its Nominees** Mahindra Towers, B Wing, 2nd Floor, P. BudhkarMarg, Worli, Mumbai – 400 018 Maharashtra	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)

IV. A) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on April 1, 2016]				No. of Shares held at the end of the year[As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2660000	50000	2710000	100%	2660000	50000	2710000	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**2660000**	**50000**	**2710000**	**100%**	**2660000**	**50000**	**2710000**	**100%**	**-**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident	-	-	-	-	-	-	-	-	-

Indians									
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2660000	50000	2710000	100%	2660000	50000	2710000	100%	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Raymond Limited with its nominees	2710000	100%	NIL	2710000	100%	NIL	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change during the year.

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):
Since the entire share capital is held by Raymond Limited and its Nominees, this is not applicable.

E) Shareholding of Directors and Key Managerial Personnel:
None of the Directors holds shares in their individual capacity in the Company.

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	675.04	931.08	-	**1606.12**
ii) Interest due but not paid	78.75	-	-	**78.75**
iii) Interest accrued but not due	6.28	-	-	**6.28**
Total (i+ii+iii)	**760.07**	**931.08**	-	**1691.15**
Change in Indebtedness during the financial year				
* Addition	42.78	100.00	-	142.78
* Reduction	-	-	-	-
Net Change	42.78	**100.00**	-	**142.78**
Indebtedness at the end of the financial year				
i) Principal Amount	717.82	1031.08	-	**1748.90**
ii) Interest due but not paid	23.80	-	-	**23.80**
iii) Interest accrued but not due	3.91	-	-	**3.91**
Total (i+ii+iii)	**745.53**	**1031.08**	-	**1776.61**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
The Company does not have any Managing Director, Whole-time Director or Manager.

B. Remuneration to other directors:

SN.	Particulars of Remuneration				
1	Independent Directors	There is no Independent Director in the Company.			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
		Name of Directors			Total Amount
2	Other Non-Executive Directors	Shri H. Sunder	Shri Ashish Grover	Shri Vishal Bist	
	Fee for attending board committee meetings*	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	-	-	-	-

		Name of Directors					Total Amount
2	Other Non-Executive Directors	Shri Bibek Agarwala	----	----	----	----	
	Fee for attending board committee meetings*	NIL	NIL	----	----	----	NIL
	Commission	NIL	NIL	----	----	----	NIL
	Others, please specify	NIL	NIL	----	----	----	NIL
	Total (2)	NIL	NIL	----	----	----	NIL

	Total (B)=(1+2)	NIL	NIL	----	----	----	NIL
	Total Managerial Remuneration	NIL	NIL	----	----	----	NIL
	Overall Ceiling as per the Act	-	-				

*Inclusive of Service tax.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

The Company does not have any Key Managerial Personnel.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment	None				
Compounding	None				
B. DIRECTORS					
Penalty	None				
Punishment	None				
Compounding	None				
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment	None				
Compounding	None				

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CELEBRATIONS APPAREL LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Celebrations Apparel Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 21, 2016 and April 27, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(i) The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2017

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 7

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 26, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Celebrations Apparel Limited on the Ind AS financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Celebrations Apparel Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being

made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 26, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Celebrations Apparel Limited on the Indian Accounting Standards (Ind AS) financial statements as of and for the year ended March 31, 2017.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2 to the Ind AS financial statements, are held in the name of the Company, except self-constructed immovable property (buildings).

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The provision of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 26, 2017

Celebrations Apparel Limited

Balance Sheet as at 31st March, 2017 **(Rs in lakhs)**

		Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	2	1,567.51	1,577.14	1,681.70
	(b) Capital work - in - progress		3.20	-	-
	(c) Other financial assets	3	14.18	14.18	14.18
	(d) Assets for Current Tax (Net)		71.95	73.46	59.74
	(e) Other Non Current Asset	4	-	7.36	-
2	**Current assets**				
	(a) Inventories	5	798.18	846.96	687.52
	(b) Financial Assets				
	(i) Trade receivables	6	1,345.18	1,218.27	462.93
	(ii) Cash and cash equivalents	7	46.39	11.49	4.11
	(iii) Bank Balances other than Cash and cash equivalents	8	6.56	0.26	0.26
	(iv) Loans	9	0.64	6.20	4.25
	(c) Other current assets	10	293.60	192.42	137.20
	TOTAL ASSETS		**4,147.39**	**3,947.74**	**3,051.89**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a) Equity share capital	11	271.00	271.00	271.00
	b) Other equity		49.67	3.60	76.60
2	**Liabilities**				
	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	12	716.80	1,148.61	1,275.12
	(b) Deferred tax liabilities (Net)	28	93.76	76.05	120.00
	(c) Other non - current liabilities	13	123.63	133.64	153.66
3	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	14	808.08	328.25	125.46
	(ii) Trade payables	15	931.83	1,329.04	638.53
	(iii)Other current financial liabilities	16	969.18	503.70	260.65
	(b) Other current liabilities	17	105.11	103.02	45.26
	(c) Provisions	18	78.33	50.83	85.61
	TOTAL LIABILITIES		**4,147.39**	**3,947.74**	**3,051.89**

Accompanying Notes form an integral part of financial statements
As per our attached report of even date

For and on behalf of the Board of Directors

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vishal Pratap Singh
Director
DIN : 07215218

sd/-

Vipin R. Bansal
Partner
Membership No. 117753

Mumbai: 26th April, 2017

sd/-

Bibek Agarwala
Director
DIN : 07267564

Mumbai: 26th April, 2017

Celebrations Apparel Limited

Statement of Profit and Loss for the year ended 31st March 2017

(Rs in lakhs)

		Note	Year ended 31st March, 2017	Year ended 31st March, 2016
I	Revenue from Operations	19	8,741.32	7,675.39
	Other Income	20	(27.76)	25.22
	Total Income		**8,713.56**	**7,700.61**
II	**EXPENSES**			
	Cost of materials consumed	21	5,225.83	4,997.34
	Purchase of Traded goods		29.69	-
	Changes in inventories	22	(28.48)	(12.53)
	Manufacturing and Operating Costs	23	764.02	447.37
	Employee benefits expense	24	1,775.98	1,681.54
	Finance costs	25	213.64	187.52
	Depreciation and amortization expense	26	104.03	135.24
	Other expenses	27	569.01	395.88
	Total Expenses		8,653.72	7,832.36
III	**Profit / (loss) before tax**		59.84	(131.75)
IV	**Tax expense**	28		
	Current tax		-	-
	Deferred tax charge/(credit)		16.49	(48.52)
V	**Profit/(Loss) for the year (III+IV)**		43.35	(83.23)
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	32	3.94	14.80
	Tax effect of above		(1.22)	(4.57)
VII	**Total Comprehensive Income for the year (V+VI)**		46.07	(73.00)
	Earnings per equity share of Rs. 10 each :			
	Basic(In Rs.)	37	1.60	(3.07)
	Diluted(In Rs.)	37	1.60	(3.07)

Accompanying Notes form an integral part of financial statements
As per our attached report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership No. 117753

Mumbai: 26th April, 2017

For and on behalf of the Board of Directors

sd/-

Vishal Pratap Singh
Director
DIN : 07215218

sd/-

Bibek Agarwala
Director
DIN : 07267564

Mumbai: 26th April, 2017

CELEBRATIONS APPAREL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 **(Rs In Lakhs)**

	Year Ended 31st March, 2017	Year ended 31st March,2016
A. Cash flow arising from Operating Activities		
Profit before exceptional items & tax from continuing operations	59.84	(131.75)
Adjustments for:		
Interest Income	(1.30)	(0.70)
Provision for Doubtful debts	11.48	-
Profit on sale of Fixed assets	-	(0.30)
Other Comprehensive Income	3.94	14.80
Depreciation and amortisation	104.03	135.24
Government Grant Amortised	(10.01)	(10.01)
Finance Costs	213.64	187.52
	321.78	326.55
Operating cash before Working Capital changes	381.62	194.80
Changes in working capital		
(Increase)/Decrease in Inventories	48.78	(159.44)
(Increase)/Decrease in Trade receivables	(138.39)	(755.34)
(Increase)/Decrease in Short term loans and advances	5.56	(1.95)
(Increase)/Decrease in Other current assets	(96.76)	(47.33)
Increase/(Decrease) in Trade payables	(397.21)	690.51
Increase/(Decrease) in Other current financial liabilities	18.48	126.77
Increase/(Decrease) in Other liabilities	6.87	47.74
(Increase)/Decrease Bank Balances other than Cash and cash equivalents	(6.30)	-
Increase/(Decrease) in Short term provisions	27.50	(34.78)
	(531.47)	(133.82)
Increase/(decrease) in liability in current tax	1.51	(13.72)
Net Cash inflow / (outflow) in the course of Operating activities (A)	(148.34)	47.26
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/(Outflow)		
Interest Income	1.30	0.70
Sale of Fixed assets	-	1.51
Acquisition of fixed assets	(95.02)	(39.24)
Net Cash outflow in the course of Investing activities (B)	(93.72)	(37.03)
C. Cash flow from Financing Activities		
Inflow/(Outflow)		
Loan repaid to Banks	852.35	112.68
Loan from the Holding Company taken	(300.00)	-
Finance costs	(275.39)	(115.53)
Net cash inflow / (outflow) in the course of Financing activities (C)	276.96	(2.85)
Net Decrease in Cash and Cash equivalents (A+B+C)	34.90	7.38
Add: Balance at the beginning of the year	11.49	4.11
Cash and Cash equivalents (Refer Note: 7) at the close of the year	**46.39**	**11.49**

Notes form an integral part of these financial statements

As per our attached Report of even date

For and on behalf of the Board of Directors

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vishal Pratap Singh
Director
DIN : 07215218

sd/-

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai: 26th April, 2017

Bibek Agarwala
Director
DIN : 07267564
Mumbai: 26th April, 2017

Celebrations Apparel Limited
Statement of Changes in Equity

A. Equity share capital

	Notes	(Rs. In Lacs)
As at 1 April 2015		271.00
As at 31 March 2016	11	271.00
As at 31 March 2017		271.00

B. Other Equity

	Reserves & Surplus (Retained Earnings)
Balance as at 1st April, 2015	76.60
Profit for the year	(83.23)
Other Comprehensive Income for the year	10.23
Total Comprehensive Income for the year	(73.00)
Balance As at 31st March, 2016	3.60
Profit for the year	43.35
Other Comprehensive Income for the year	2.72
Total Comprehensive Income for the year	46.07
As at 31st Mar, 2017	49.67

Accompanying Notes form an integral part of financial statements

As per our attached report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership No. 117753

Mumbai: 26th April, 2017

For and on behalf of the Board of Directors

sd/-

Vishal Pratap Singh
Director
DIN : 07215218

sd/-

Bibek Agarwala
Director
DIN : 07267564

Mumbai: 26th April, 2017

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Celebrations Apparel Limited (‘CAL’ or ‘the Company’) CIN 'U18100PN2004PLC140524' incorporated in India carries on business of manufacturing and trading of shirts. The company has its network of operations in local as well foreign market. Celebration Apparel Limited is a 100% subsidiary of Raymond Limited.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) 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 and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Building, Plant & Machinery, Electrical Installations and Electrical Equipments and Computers are provided on Straight Line Method (SLM) and on other assets is provided on Written down Value Method (W.D.V), over the estimated useful life of assets.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

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 the Statement of Profit and Loss.

(d) Intangible assets

Computer software
Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life
The Company amortizes computer software using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e Lease
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'First-in-First-Out', 'Weighted Average cost' or 'Specific identification' as applicable. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(h) Investments and other financial assets

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 the Statement of 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 the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement
At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

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

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:
The Company measures its investment in subsidiaries, jointventures and associtės at cost less immaprment if any. The company subsequently measures all equity investments other than above 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(v) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the light to receive payment is established.

(i) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(j) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(k) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to statement of profit and loss.

(l) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provisions due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(m) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods
Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to transporter, in case of export sales place when goods are shipped onboard based on bill of lading. The Company also undertakes contract for converting Fabrics into Readymade Garments. Revenue from such contracts is recognized only after the work is completed and dispatched.

Revenue from services
Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives
Export Incentives under the "Duty Draw back Scheme" " Focus market scheme " and Focus Product linked scheme" etc. is accounted in the year of export.

(n) Employee benefits

(i) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity

Gratuity obligations

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calcualted by acturay are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans
Defined Contribution Plans such as Provident Fundetc., are charged to the Statement of Profit and Loss Account as incurred.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(o) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(p) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arrising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(q) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

(r) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(s) Government Grant:

Grant from Government are recognised at their fair value, when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.
Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.
Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Celebrations Apparel Limited
Notes to the financial statements

2 Property, Plant and Equipment **(Rs in lakhs)**

	Freehold Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Computers	Office equipment	Total
Gross carrying amount								
Deemed Cost as at 1st April 2015	58.66	461.90	1,108.32	14.50	13.64	15.08	9.60	1,681.70
Additions	-	-	8.91	0.60	11.84	10.50	0.04	31.89
Disposals	-	-	-	-	(1.65)	-	-	(1.65)
Balance As at 31st March, 2016	58.66	461.90	1,117.23	15.10	23.83	25.58	9.64	1,711.94
Additions	-	7.99	65.61	7.66	-	12.92	0.23	94.41
Disposals	-	-	-	-	-	-	-	-
Balance As at 31st March, 2017	58.66	469.89	1,182.84	22.76	23.83	38.50	9.87	1,806.35
Accumulated Depreciation								
Additions	-	20.94	94.06	5.48	5.08	8.17	1.51	135.24
Disposals	-	-	-	-	(0.44)	-	-	(0.44)
Balance As at 31st March, 2016	-	20.94	94.06	5.48	4.64	8.17	1.51	134.80
Additions	-	20.91	62.63	4.31	5.63	8.24	2.32	104.04
Disposals	-	-	-	-	-	-	-	-
Balance As at 31st March, 2017	-	41.85	156.69	9.79	10.27	16.41	3.83	238.84
Net Carrying Amount								
Balance as at 1st April,2015	**58.66**	**461.90**	**1,108.32**	**14.50**	**13.64**	**15.08**	**9.60**	**1,681.70**
Balance as at 31st March,2016	**58.66**	**440.96**	**1,023.17**	**9.62**	**19.19**	**17.41**	**8.13**	**1,577.14**
Balance as at 31st March,2017	**58.66**	**428.04**	**1,026.15**	**12.97**	**13.56**	**22.09**	**6.04**	**1,567.51**

Note :

(a) The Company had intangible assets amounting to Rs 17.55 lakhs which was fully amortised upto the Financial Year ending 31st March 2009.

(b) Deemed cost includes EPCG amounting to Rs 153.66 lakhs. Depreciation thereon amounting to Rs 10.01 lakhs charged each for the financial year 2015-16 and 2016-17 under the head Plant & equipment. (Refer Note 13)

(c) Refer to Note (31) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(d) Refer to Note (39) For information on property, plant and equipment pledged as security by the Company.

3 Other Non-Current Financial assets **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, Considered good)			
Deposits with others	14.18	14.18	14.18
Total	**14.18**	**14.18**	**14.18**

4 Other non-current assets **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	-	7.36	-
Total	**-**	**7.36**	**-**

5 Inventories **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	272.38	318.30	189.91
Raw material in transit	44.19	74.19	55.22
Work-in-progress	33.61	54.49	45.64
Finished goods (Manufactured)	402.03	383.37	381.10
Stock in trade	10.83	-	-
Stores and Spares	7.30	8.64	9.09
Accumulated cost on Conversion Contracts			
Completed	25.64	5.06	6.26
In Process	2.20	2.91	0.30
Total	**798.18**	**846.96**	**687.52**

Provision of Inventories amounting to Rs. 17.83 Lakhs (31st March 2016 Rs.Nil Lakhs; 1st April 2015 Rs. Nil Lakhs). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

6 Trade receivables **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables	515.75	653.93	94.01
Receivables from related parties	840.91	564.34	368.92
Less: Allowance for bad and doubtful debts	11.48	-	-
Total	1,345.18	1,218.27	462.93

Break up of security details

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Considered goods	-	-	-
Unsecured considered goods	1,356.66	1,218.27	462.93
Total	1,356.66	1,218.27	462.93
Provision for doubtful debts	11.48	-	-
Total	1,345.18	1,218.27	462.93

Refer note 35 for information about market risk and credit risk of trade receivables.

7 **Cash and cash equivalents** **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	0.02	0.62	0.85
Balances with Banks			
In current accounts	46.37	9.76	1.16
Term deposits with original maturity of less than three months	-	1.11	2.10
Total	**46.39**	**11.49**	**4.11**

Cash in hand as on 08/11/2016

Particulars	**SBN**	**Other Currency**	**Total**
Cash Balance as on 08/11/2016	2.84	0.37	3.21
(+) Permitted Receipts	-	12.53	12.53
(-) Permitted Payments	-	7.51	7.51
(-) Amount deposited in Banks	2.84	-	2.84
Closing Balance as on 30/12/2016	-	**5.39**	**5.39**

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

8 **Bank Balances Other than Cash and Cash Equivalents** **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Margin Money Deposits*	6.56	0.26	0.26
Total	**6.56**	**0.26**	**0.26**

*Held as lien by banks against Letter of credit facilities.

9 **Current Loans**
(Unsecured, considered good) **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans to employees	0.64	6.20	4.25
Total	**0.64**	**6.20**	**4.25**

Refer note 35 for information about market risk and credit risk of loans.

10 **Other current assets** **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Export incentives receivable	169.09	106.17	54.60
Interest Subsidy receivable	60.75	56.32	48.43
Advances to Suppliers	45.11	23.18	23.85
Balance with Government Authorities	8.22	0.11	7.64
Prepaid expenses	5.42	2.56	1.09
Other advances	5.01	4.08	1.59
Total	**293.60**	**192.42**	**137.20**

11 **Equity Share capital** **(Rs. In Lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
50,000,000 [31st March, 2016: 50,000,000 and 1st April, 2015: 50,000,000] Equity Shares of Rs. 10 each	5,000.00	5,000.00	5,000.00
Issued, subscribed and fully paid up			
2,710,000 [31st March, 2016: 2,710,000 and 1st April, 2015: 2,710,000] Equity Shares of Rs. 10 each	271.00	271.00	271.00
Total	**271.00**	**271.00**	**271.00**

a) Reconciliation of number of shares **(Rs. In Lakhs)**

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year	27,10,000	271.00	27,10,000	271.00	27,10,000	271.00
Balance as at the end of the year	**27,10,000**	**271.00**	**27,10,000**	**271.00**	**27,10,000**	**271.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Holding Company

	As at 31st March, 2017	As at 31st March, 2016	As At 1st April, 2015
Raymond Ltd.(along with Nominees)	27,10,000	27,10,000	27,10,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	%	No. of Shares	%	No. of Shares	%	No. of Shares
Raymond Ltd.	100	27,10,000	100	27,10,000	100	27,10,000

12 Non Current Borrowings

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Term loans			
From banks #	185.72	317.53	444.04
Secured - total (A)	185.72	317.53	444.04
Unsecured			
(a) Term loans			
Loans from Holding Company - Raymond Limited (*)	531.08	831.08	831.08
Unsecured - total (B)	531.08	831.08	831.08
Total (A+B)	**716.80**	**1,148.61**	**1,275.12**

Nature of Security and terms of repayment for Long Term secured borrowings:

# Nature of Security	Terms of Repayment
Term Loans amounting to Rs.262.50 (Rs 300.00 Lacs March 31,2016 and Rs. 300.00 lacs March 31,2015) are secured by way of *pari passu* charge on the entire movable fixed assets of the Company.	Repayable in 16 quarterly installments commencing from 30th of September, 2016 and last installment is due on 30th of June 2020. Rate of interest as at year end 10.30% (10.30 % p.a. March 31,2016 and 10.85 % p.a. March 31,2015)
Term Loans amounting to Rs.56.81 (Rs.125.69 Lacs March 31,2016 and Rs. 194.57 Lacs March 31,2015) are secured by way of hypothecation of assets purchased through this loan in the manufacturing unit at Hosakote, Bangalore.	Repayable in 94 monthly installments commencing from 1st of April, 2010 and last installment is due on 1st February, 2018. Rate of interest as at year end 12.20% (12.20% p.a.March 31,2016 and 12.75% p.a. March 31,2015)**
Term Loans amounting to Rs.Nil (Rs.21.10 Lacs March 31,2016 and Rs. 43.30 Lacs March 31,2015) are secured by way of hypothecation of the Plant and Machinery purchased against the loan in manufacturing unit at Hosakote, Bangalore.	Repaid in March 2017. Rate of interest 12.20% as at the date of repayment (12.20% p.a. March 31, 2016 and 12.75% p.a. March 31, 2015).

* Loan from holding company - Raymond Limited, is due for repayment in April 2018 amounting to Rs 531 Lacs, June 2017 amounting to Rs 300 Lacs and October 2017 amounting to Rs 200 Lacs (Rate of Interest as at year end 10.50% p.a., Previous Year 10.50% p.a.)

**Rate of Interest is without considering interest subsidy under TUF scheme.

Notes:

a) Charge created in respect of a term loan from a Bank fully repaid during previous year is not released by the Bank, since Company continues to avail non fund facility from the same bank. This facility is also guaranteed by Raymond Limited.

b) Installment of loans falling due within next twelve months aggregating Rs 631.81 Lacs, (For March 31,2016 Rs 127.48 Lacs and for March 31, 2015 Rs 91.08 lacs) have been grouped under current maturities of long term debt.(Refer Note 16).

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 39.
Refer Note 35 for information about credit risk and interest risk.
Unamortised portion of processing cost amounts to Rs.1.70 Lacs (Rs. 1.78 lacs March 31,2016 and Rs.2.75 lacs March 31,2015).

Celebrations Apparel Limited

Notes to the financial statements

(Rs in lakhs)

13 Other non-current liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Government Grant Related to Assets(Refer Note 31)	123.63	133.64	153.66
Total	**123.63**	**133.64**	**153.66**

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(s)). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 31.

14 Current Borrowings **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
(a) Loans repayable on demand from banks (Secured against hypothecation of stocks and receivables)	399.71	228.25	125.46
Unsecured			
(a) Local Bill Accepted with bank	408.37	-	-
(c) Loan from Holding Company - Raymond Limited (Loan from holding company - Raymond Limited, is due for repayment in June 2016 (Rate of Interest as at year end 10.20% p.a.)	-	100.00	-
Total	**808.08**	**328.25**	**125.46**

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 39.
For liquidity refer to note No. 35 Financial Risk Management.

15 Trade payables **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables			
Amount payable to related parties [Refer note 33]	482.41	738.44	267.00
Others	449.42	590.60	371.53
Total	**931.83**	**1,329.04**	**638.53**

Refer Note 29.
Refer note 35 for information about liquidity risk and market risk of trade payables.

16 Other current financial liabilities **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Current maturities of long-term debt (Refer Note 13)	631.81	127.48	91.08
(c) Interest accrued	27.71	85.03	5.16
(d) Salary and Wages payable	308.74	290.08	163.94
(e) Other payables	0.92	1.11	0.47
Total	**969.18**	**503.70**	**260.65**

17 Other Current liabilities **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st Mar, 2016	As at 1st April, 2015
Advance from customers	35.75	44.46	2.37
Statutory dues	54.57	48.55	42.89
Capital Creditors	4.78	-	-
Government grants related to Assets (Refer note 13)	10.01	10.01	-
Total	**105.11**	**103.02**	**45.26**

18 Provisions **(Rs in lakhs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Gratuity [Refer Note 32]	23.26	18.43	40.39
Provision for Leave Entitlement	55.07	32.40	45.22
Total	**78.33**	**50.83**	**85.61**

19 Revenue from Operations **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Sale of Products		
(i) Manufactured goods	7,813.07	7,002.66
(ii) Traded goods	17.57	-
Sales of Services		
(i) Job Work	647.87	491.85
Other operating revenue		
(i) Export Incentives, etc	256.96	175.96
(ii) Process waste sale	5.85	4.92
Total	**8,741.32**	**7,675.39**

20 Other income **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest income	1.30	0.70
Exchange Fluctuation Gain (Net)	(39.67)	13.79
Other non-operating income	0.60	0.42
Deferred Income from Government grant(Refer Note 13)	10.01	10.01
Profit on sale of assets	-	0.30
Total	**(27.76)**	**25.22**

21 Cost of materials consumed **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Raw materials consumed		
Opening Stock	318.30	189.91
Purchases	5,192.90	5,173.75
Less : Sales	12.99	48.02
Less : Closing Stock	272.38	318.30
Total	**5,225.83**	**4,997.34**

22 Changes in inventories of finished goods, work-in-progress, stock in trade and accumulated cost of conversions **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Opening inventories		
Finished goods	383.37	381.10
Work-in-progress	54.49	45.64
Stock-in-trade	-	-
Accumulated cost of conversion contracts		-
Completed	5.06	6.26
In Process	2.91	0.30
	445.83	**433.30**
Closing inventories		
Finished goods (Manufacturing goods)	402.03	383.37
Stock-in-trade	10.83	-
Work-in-progress	33.61	54.49
Accumulated cost of conversion contracts		
Completed	25.64	5.06
In Process	2.20	2.91
	474.31	**445.83**
Total	**(28.48)**	**(12.53)**

23 Manufacturing and Operating Costs **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Consumption of stores and spare parts	107.86	106.59
Power and fuel	108.74	105.41
Job work charges	319.99	191.74
Repairs to buildings	2.42	19.62
Repairs to machinery	11.03	9.59
Excise Duty on sale of Garments	213.98	14.42
Total	**764.02**	**447.37**

24 Employee benefits expense **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries and wages	1,484.14	1,418.44
Contribution to provident funds and other funds	119.79	108.48
Defined benefit plan expense (Refer note 32)	35.39	34.80
Workmen and Staff welfare expenses	136.66	119.82
Total	**1,775.98**	**1,681.54**

25 Finance costs **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest expense on Term Loans & ICD (Net of interest subsidy under TUF scheme Rs 6.37 Lakhs (PY Rs 7.89 Lakhs)	137.84	145.12
Interest on short term borrowings	75.80	42.40
Total	**213.64**	**187.52**

26 Depreciation and amortization expense **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment	104.03	135.24
Total	**104.03**	**135.24**

27 Other expenses **(Rs in lakhs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Rent	1.60	0.47
Insurance	13.00	8.91
Repairs & Maintainence Others	13.25	8.23
Rates and Taxes	3.80	4.02
Commission to selling agents	169.27	68.99
Freight, Octroi, etc	63.64	60.51
Legal and Professional Expenses	33.90	28.28
Travelling & Conveyance	17.09	12.44
Provision for Doubtful Debt	11.48	-
IT Outsourcing Expenses	3.80	3.74
Security Charges	26.82	20.62
Miscellaneous Expenses	211.36	179.67
Total	**569.01**	**395.88**

Details of Payment to Auditor (included in Legal and Professional Expenses)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Audit Fees	3.50	3.44
Reimbursement of Expenses	0.03	0.03
Total	**3.53**	**3.47**

28 Income taxes

Tax expense recognised in the Statement of Profit and Loss (Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Current tax		
Current year	-	-
Adjustments for prior periods	-	
Total current tax	**-**	**-**
Deferred tax		
Origination and reversal of temporary difference	(16.49)	48.52
Change in tax rates		
Total deferred income tax expense/(credit)	**(16.49)**	**48.52**
Total income tax expense/(credit)	**(16.49)**	**48.52**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	Year ended 31st March, 2017	Year ended 31st March, 2016
Reconciliation of effective tax rate		
Profit Before Tax	59.84	(131.75)
Enacted income tax rate in India	30.9%	30.9%
Tax Amount	18.49	(40.71)
Differences due to:		
Prior Period tax expense	2.00	7.81
Total	**16.49**	**(48.52)**
Effective tax rate	**27.56%**	**36.83%**

The effective tax rate was 27.56% (2015-16: 36.83%).

The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

Movement during the year ended March 31, 2016	As at 1st April, 2015	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2017
Deferred tax assets/(liabilities)							
Provision for post retirement benefits and other employee benefits: Gratuity	32.29	15.66	(4.57)	43.38	9.71	(1.22)	51.87
Provision for doubtful debts and advances	-	-	-	-	3.56	-	3.56
Depreciation	(253.13)	23.79	-	(229.34)	(2.10)	-	(231.44)
Unabsorbed tax depreciation	101.74	8.74	-	110.48	(28.23)	-	82.25
Fair value gains/losses	(0.90)	0.33	-	(0.57)	0.57	-	-
Total	(120.00)	48.52	(4.57)	(76.05)	(16.49)	(1.22)	(93.76)

The Company has sufficient taxable temporary differences, which will result in taxable income against unabsorbed tax depreciation, accordingly deferred tax asset has been recognised on the same.

29 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	31 March, 2017		31 March, 2016		1 April, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	-	-	-	-	-	12.41
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, other than under Section 16 of MSMED Act, 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, for payments already made	-	-	-	-	-	-
Further interest remaining due and payable for earlier years	-	-	-	-	-	-

30 Contingent liabilities/Contigent Assets

The company has no contingent liabilities/contingent assets as at end of the year.

31 Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other Commitments Guarantees given by the Company's bankers and Bonds and Letter of Undertaking executed by the Company to Government Authorities for purchase under concessional duty/ exemption scheme in respect of (net of obligation completed):			
(i) Raw Materials	5.55	0.91	3.03
(ii) Capital Goods	21.27	21.72	13.13
Total Other Commitments	26.83	22.63	16.16

32 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2017, 2016 and 1st April, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes (Gratutity):

A. Balance Sheet **(Rs. In Lakhs)**

	Defined benefit plans		
	As at 31st March, 2017	**As at 31st March, 2016**	**As at 1st April, 2015**
Present value of plan liabilities	101.67	88.03	91.32
Fair value of plan assets	78.41	69.60	50.93
Plan liability net of plan assets	23.26	18.43	40.39

B. Movements in plan assets and plan liabilities **(Rs. In Lakhs)**

	Year ended 31st March, 2017			**Year ended 31st March, 2016**		
	Plan Assets	**Plan liabilities**	**Total**	**Plan Assets**	**Plan liabilities**	**Total**
As at 1st April	69.60	88.03	(18.43)	50.93	91.32	(40.39)
Current service cost	-	33.90	(33.90)	-	31.64	(31.64)
Employee contributions	-	-	-	-	-	-
Return on plan assets excluding amounts included in net	-	-	-	1.14	-	1.14
finance income/cost	1.67	-	1.67	-	-	-
Interest cost	-	7.09	(7.09)	-	7.12	(7.12)
Interest income	5.60	-	5.60	3.97	-	3.97
Acturial (gain)/loss arising from changes in financial assumptions	-	5.68	(5.68)	-	(2.01)	2.01
Actuarial (gain)/loss arising from experience adjustments	-	(7.95)	7.95	-	(11.65)	11.65
Employer contributions	18.44	-	18.44	40.39	-	40.39
Benefit payments	(16.90)	(25.08)	8.18	(26.83)	(28.39)	1.56
As at 31st March	**78.41**	**101.67**	**(23.26)**	**69.60**	**88.03**	**(18.43)**

The weighted average duration of the defined benefit plans is 8 years (2015-16 : 8 Years)
The Company expects to contribute Rs. 62.56 Lakhs to the funded plans in financial year 2017-18

C. Statement of Profit and Loss **(Rs. in lakhs)**

	Year ended 31st March, 2017	**Year ended 31st March, 2016**
Employee Benefit Expenses:		
Current service cost	33.90	31.65
Total	33.90	31.65
Finance cost/(income)	1.49	3.15
Net impact on the Profit / (Loss) before tax	35.39	34.80
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	1.67	1.14
Actuarial gains/(losses) arising from changes in financial assumptions	(5.68)	2.01
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	7.95	11.65
Net impact on the Other Comprehensive Income before tax	3.94	14.80

D. Assets **(Rs. In Lakhs)**

	Defined benefit plans		
	As at 31st March, 2017	**As at 31st March, 2016**	**As at 1st April, 2015**
Insurer managed funds	78.41	69.60	50.93
	-	-	-
Total	**78.41**	**69.60**	**50.93**

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.
The significant actuarial assumptions were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assumptions			
Discount rate	7.42%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(Rs. In Lakhs)

		As at 31st March, 2017		As at 31st March, 2016	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rate	1%	(8.76)	10.28	(7.29)	8.53
Salary Escalation Rate	1%	10.17	(8.83)	8.49	(7.39)
Employee Turnover	4%	(5.25)	5.87	(3.07)	2.49

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

(Rs. in lakhs)

Year ending 31 March,	**Defined benefit obligation**	
	As at 31st March, 2017	**As at 31st March, 2016**
2018	4.29	4.15
2019	5.95	5.44
2020	7.45	6.86
2021	8.51	8.23
2022	9.89	9.04
Thereafter	44.99	40.95

33 Related Party disclosures as per Ind AS - 24

1. Relationships

a. Holding Company - Raymond Limited

b. Fellow Subsidiary Companies with whom transactions exist.

Colorplus Fashions Limited
Silver Spark Apparel Limited
Raymond Apparel Limited
Raymond (Europe) Limited
Dress Master Apparel Private Limited (Formerly Robot System Private Limited),w.e.f 10th September 2015.
Raymond Luxury Cottons Limited.
Celebrations Apparel Limited Employees Gratuity Fund

c) Key management personnel

Vishal Pratap Singh - Director (w.e.f 28th July, 2015)
Bibek Agarwala - Director (w.e.f 26th October, 2016)
Ashish Grover - Director
Sundar Hariharan - Director

d) Trust

Celebrations Apparel Limited Employees Gratuity Fund

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above		Referred in 1 (d) above
Purchase of Raw Material	20.04	2,028.28	*	(-)
	(-)	(2,039.15)		(-)
Income				
Job Work Charges	290.75	54.46	**	(-)
	(289.78)	(116.63)		(-)
Sales	26.10	4,590.63	***	(-)
	(-)	(4,900.22)		(-)
Others	0.66	480.06	^	(-)
	(0.82)	(21.36)		(-)
Expenses				
Interest	102.16	-		(-)
	(94.56)	(-)		(-)
Job Work Charges	-	174.10	^^	(-)
	(-)	(61.95)		(-)
Others	1.47	14.74	^^^	(-)
	(1.85)	(9.46)		(-)
Finance				
Loan received	300.00	-		(-)
	(300.00)	(-)		(-)
Loan Repaid	200.00	-		(-)
	(200.00)	(-)		(-)
Trust				
Paid to Trust - Employee Gratuity	(-)	(-)		18.44
Fund Contribution	(-)	(-)		(-)

(Previous year figures are in brackets)

	31st March'17		31st March'16		1st April'15
Outstandings :					
Payable					
Holding Company	20.39		5.28		4.25
Fellow Subsidiaries	462.02	$	733.16	$	262.75
Receivable					
Holding Company	44.04		16.93		18.04
Fellow Subsidiaries	796.87	@	547.41	@	350.88
Interest Accrued and due					
Holding Company	23.80		78.75		0.00
Fellow Subsidiaries	(-)		(-)		(-)
Loans Taken					
Holding Company	1031.08		931.08		831.08
Fellow Subsidiaries	(-)		(-)		(-)
Other Advances					
Holding Company	0.12		0.00		0.00
Fellow Subsidiaries	(-)	#	5.88	#	(-)
Guarantee given on behalf of the company					
Holding Company	1186.00		1186.00		1186.00
Fellow Subsidiaries	(-)		(-)		(-)

(Previous year figures are in brackets)

* Represents purchases from Raymond Apparel Limited Rs 123.08 Lakhs (Previous year Rs 22.64 Lakhs), Silver Spark Apparel Limited Rs 16.91 (Previous year Rs Nil), Colorplus Fashions Limited Rs 17.45 Lakhs (Previous year Rs 0.06 Lakhs), Dress Master Apparel Private Limited Rs 15.53 Lakhs (Previous year Rs 2.13 Lakhs) and Raymond Luxury Cottons Limited Rs 1855.31 Lakhs (Previous year Rs 2014.32 Lakhs)

**Includes Job Work Charges from Colourplus Fashions Limited Rs.39.46 Lakhs (Previous Year Rs 24.85 Lakhs), Dress Master Apparel Private Ltd Rs. 0.67 Lakhs (Previous year Rs 9.85 Lakhs) and Raymond Apparel Ltd. Rs. 14.33 Lakhs (Previous year Rs. 81.93 Lakhs)

***Includes sale to Silver Spark Apparel Limited Rs. 75.66 Lakhs (Previous Year Rs 30.05 Lakhs), Raymond Apparel Ltd. Rs.3998.43 Lakhs (Previous year Rs 4522.76 Lakhs), Dress Master Apparel Private Limited Rs Nil Lakhs (Previous Year Rs 27.12 Lakhs) Raymond Europe Ltd. Rs 176.84 Lakhs (Previous year Rs 121.90 Lakhs) and Colorplus Fashions Limited Rs 339.70 Lakhs (Previous year Rs 198.39 Lakhs).

^ Represents other reimbursement from Dress Master Apparel Private Limited Rs 99.35 Lakhs(Previous year Rs 0.34 Lakhs and Silver Spark Apparel Limited Rs 380.71 Lakhs (Previous year Rs 21.02 Lakhs).

^^ Represent Jobwork done from Dress Master Apparel Private Limited.

^^^ Represents other reimbursment to Silver Spark Apparel Limited.

$ Represents balance payable to Raymond Luxury Cottons Limited Rs 291.49 Lakhs (Previous year Rs 731.03 Lakhs) and Dress Master Apparel Private Limited Rs 30.44 Lakhs (Previous year Rs 2.13 Lakhs) , Raymond Apparel Limited 122.63 Lakhs (Previous Year Rs. Nil Lakhs) and Colorplus Fashions Limited 17.46 lakhs (Previous Year Rs.Nil Lakhs)

Represents other advances to Silver Spark Apparel Limited Rs Nil Lacs (Previous year Rs 5.44 Lakhs) and Raymond Apparel Limited Rs Nil Lakhs (Previous year Rs0.44 Lakhs)

@ Includes receivable from Raymond Apparel Limited Rs 673.57 Lakhs (Previous Year Rs 420.19 Lakhs), Dress Master Apparel Private Limited Rs Nil Lakhs (Previous Year Rs 37.12 Lakhs) Colorplus Fashions Limited Rs 24.84 Lakhs(Previous Year Rs 57.63 Lakhs), Silver Spark Apparel Limited Rs 12.51 Lakhs (Previous Year Rs Nil) and Raymond Europe Limited Rs 85.95 Lakhs (Last year Rs 32.47 Lakhs)

34. Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans to Employees	-	0.64	0.64	-	-	-	-	-	-	-	-	-	-	0.64	0.64	0.64
Other Financial Assets	14.18	-	14.18	-	-	-	-	-	-	-	-	-	-	14.18	14.18	14.18
Trade receivable	-	1,345.18	1,345.18	-	-	-	-	-	-	-	-	-	-	1,345.18	1,345.18	1,345.18
Cash and Cash equivalents	-	46.39	46.39	-	-	-	-	-	-	-	-	-	-	46.39	46.39	46.39
Other Bank Balance	-	6.56	6.56	-	-	-	-	-	-	-	-	-	-	6.56	6.56	6.56
	14.18	**1,398.77**	**1,412.95**	-	-	-	-	-	-	-	-	-	-	**1,412.95**	**1,412.95**	**1,412.95**
Financial Liabilities																
Borrowings	716.80	808.08	1,524.88	-	-	-	-	-	-	-	-	-	-	1,524.88	1,524.88	1,524.88
Other Financial Liabilities	-	969.18	969.18	-	-	-	-	-	-	-	-	-	-	969.18	969.18	969.18
Trade Payables	-	931.83	931.83	-	-	-	-	-	-	-	-	-	-	931.83	931.83	931.83
	716.80	**2,709.09**	**3,425.89**	-	-	-	-	-	-	-	-	-	-	**3,425.89**	**3,425.89**	**3,425.89**

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans to Employees	-	6.20	6.20	-	-	-	-	-	-	-	-	-	-	6.20	6.20	6.20
Other Financial Assets	14.18	-	14.18	-	-	-	-	-	-	-	-	-	-	14.18	14.18	14.18
Trade receivable	-	1,218.27	1,218.27	-	-	-	-	-	-	-	-	-	-	1,218.27	1,218.27	1,218.27
Cash and Cash equivalents	-	11.49	11.49	-	-	-	-	-	-	-	-	-	-	11.49	11.49	11.49
Other Bank Balance	-	0.26	0.26	-	-	-	-	-	-	-	-	-	-	0.26	0.26	0.26
	14.18	**1,236.22**	**1,250.40**	-	-	-	-	-	-	-	-	-	-	**1,250.40**	**1,250.40**	**1,250.40**
Financial Liabilities																
Borrowings	1,148.61	328.25	1,476.86	-	-	-	-	-	-	-	-	-	-	1,476.86	1,476.86	1,476.86
Other Financial Liabilities	-	503.70	503.70	-	-	-	-	-	-	-	-	-	-	503.70	503.70	503.70
Trade Payables	-	1,329.04	1,329.04	-	-	-	-	-	-	-	-	-	-	1,329.04	1,329.04	1,329.04
	1,148.61	**2,160.99**	**3,309.60**	-	-	-	-	-	-	-	-	-	-	**3,309.60**	**3,309.60**	**3,309.60**

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans to Employees	-	4.25	4.25	-	-	-	-	-	-	-	-	-	-	4.25	4.25	4.25
Other Financial Assets	14.18	-	14.18	-	-	-	-	-	-	-	-	-	-	14.18	14.18	14.18
Trade receivable	-	462.93	462.93	-	-	-	-	-	-	-	-	-	-	462.93	462.93	462.93
Cash and Cash equivalents	-	4.11	4.11	-	-	-	-	-	-	-	-	-	-	4.11	4.11	4.11
Other Bank Balance	-	0.26	0.26	-	-	-	-	-	-	-	-	-	-	0.26	0.26	0.26
	14.18	**471.55**	**485.73**	-	-	-	-	-	-	-	-	-	-	**485.73**	**485.73**	**485.73**
Financial Liabilities																
Borrowings	1,275.12	125.46	1,400.58	-	-	-	-	-	-	-	-	-	-	1,400.58	1,400.58	1,400.58
Other Financial Liabilities	-	260.65	260.65	-	-	-	-	-	-	-	-	-	-	260.65	260.65	260.65
Trade Payables	-	638.53	638.53	-	-	-	-	-	-	-	-	-	-	638.53	638.53	638.53
	1,275.12	**1,024.64**	**2,299.76**	-	-	-	-	-	-	-	-	-	-	**2,299.76**	**2,299.76**	**2,299.76**

	As at 31st March'17		As at 31st March'16		As at 1st April'15	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Other Assets						
Loans to Employees	0.64	0.64	6.20	6.20	4.25	4.25
Other Financial Assets	14.18	14.18	14.18	14.18	14.18	14.18
Trade receivable	1,345.18	1,345.18	1,218.27	1,218.27	462.93	462.93
Cash and Cash equivalents	46.39	46.39	11.49	11.49	4.11	4.11
Other Bank Balance	6.56	6.56	0.26	0.26	0.26	0.26
	1,412.95	1,412.95	1,250.40	1,250.40	485.73	485.73
Financial Liabilities						
Borrowings	1,524.88	1,524.88	1,476.86	1,476.86	1,400.58	1,400.58
Other Financial Liabilities	969.18	969.18	503.70	503.70	260.65	260.65
Trade Payables	931.83	931.83	1,329.04	1,329.04	638.53	638.53
	3,425.89	3,425.89	3,309.60	3,309.60	2,299.76	2,299.76

35 Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control through approved policies and procedures over the entire process of market risk management.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, corporate interest rate risk management is performed by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs in lakhs)

Particulars	As at 31st March'17	As at 31st March'16	As at 1st April'15
Borrowings bearing variable rate of interest	717.24	673.26	660.58

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs in lakhs)

	2016-2017	2015-2016
50 bp increase- decrease in profits	(0.18)	0.46
50 bp decrease- Increase in profits	0.18	(0.46)

Market Risk- Foreign cuurency risk.

The Company operates internationally and portion of the business is transacted in different currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure

(a)Derivative outstanding as at the reporting date

(Foreign currency in Lakhs)

Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 31 March, 2016	
Forward contracts to sell USD	USD	-	EURO	2.85	USD	-

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March, 2017

Particulars	GBP	EUR	USD
Receivable	-	4.41	2.94
Payable	-	0.07	0.35

As at 31st March, 2016

Particulars	GBP	EUR	USD
Receivable	0.96	5.91	2.31
Payable	-	0.07	0.37

As at 31st March, 2015

Particulars	GBP	EUR	USD
Receivable	-	0.38	0.45
Payable	-	0.07	0.01

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in lakhs)

	2016-2017		2015-2016	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	1.68	(1.68)	1.29	(1.29)
EURO	3.00	(3.00)	4.41	(4.41)
GBP	-	-	0.91	(0.91)
Increase / (decrease) in profit or loss	4.68	(4.68)	6.61	(6.61)

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where loans or receivables have been written off, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

(Rs in lakhs)

	As at 31st March'17	As at 31st March'16	As at 1st April'15
Not due	787.99	1,080.51	438.22
0-3 months	484.10	132.79	22.25
3-6 months	30.08	4.49	0.31
6 months to 12 months	41.91	0.48	2.16
beyond 12 months	1.10	-	-
Total	1,345.18	1,218.27	462.94

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

As at 31st March'17 (Rs in lakhs)

	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	631.81	716.80	-	1,348.61
Short term borrowings	808.08	-	-	808.08
Total	1,439.89	716.80	-	2,156.69

As at 31st March'16

	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	127.48	1,148.61	-	1,276.09
Short term borrowings	328.25	-	-	328.25
Total	455.73	1,148.61	-	1,604.34

As at 31st March'15

	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	91.08	1,275.12	-	1,366.20
Short term borrowings	125.46	-	-	125.46
Total	216.54	1,275.12	-	1,491.66

Maturity patterns of other Financial Liabilities

As at 31st March'17 (Rs in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	444.19	487.67	-	-	-	931.86
Other Financial liabilities (Current and Non Current)	337.37	-	-	-	-	337.37
Total	781.56	487.67	-	-	-	1,269.23

As at 31st March'16

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	146.67	1,182.37	-	-	-	1,329.04
Other Financial liabilities (Current and Non Current)	376.22	-	-	-	-	376.22
Total	522.90	1,182.37	-	-	-	1,705.26

As at 31st March'15

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	418.57	219.97	-	-	-	638.53
Other Financial liabilities (Current and Non Current)	169.57	-	-	-	-	169.57
Total	588.13	219.97	-	-	-	808.10

36 Capital risk management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic enviroments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and cash equivalents divided by total equity

The management monitors capital on the basis of the following gearing ratio

(Rs. in lakhs)

	31 March, 2017	31 March, 2016	1 April, 2015
Net Debt	1,524.88	1,476.86	1,400.58
Total Equity	271	271	271
Net Debt to Total Equity(*)	563%	545%	517%

** Net Debt is taken as Total Borrowing net of Cash & Cash Equivalents and Other Bank Balances*

37 Earnings per share

(Rs. in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	43.35	(83.23)
Weighted average number of equity shares outstanding	27.10	27.10
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)	1.60	(3.07)

Diluted earning per share is same as basic earning per share.

38 Segment reporting

The Company's business activity falls within a single primary business segment of manufacture of shirts. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

Further, no single customer contributes to more than 10% of the company's revenue

39 Assets Pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Rs. in lacs

	31 March, 2017	31 March, 2016	1 April, 2015
Immovable Assets			
Buildings	428.04	440.96	461.90
Plant & equipment	1,026.15	1,023.17	1,108.32
Total	**1,454.18**	**1,464.13**	**1,570.22**
Movable Assets			
Furniture & fixtures	12.97	9.62	14.50
Vehicles	13.56	19.19	13.64
Computers	22.09	17.41	15.08
Office equipment	6.04	8.13	9.60
Total	**54.66**	**54.35**	**52.82**
Other Assets			
Receivables	1,345.18	1,218.27	462.93
Inventories	798.18	846.96	687.52
Total	**2,143.36**	**2,065.23**	**1,150.45**
Total assets pledged as security	**3,652.20**	**3,583.71**	**2,773.49**

40 Celebrations Apparel Limited

Notes to the standalone financial statements for the year ended 31st March, 2017

First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2017 for the company, be applied retrospectively and consistently for all financial years presented. In accordance with, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions availed

Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions

(a) 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 (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as reuired under Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)

II. A. Reconciliation of Balance sheet as at March 31, 2016

B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016

IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2015

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
1 **Non-current Assets**				
(a) Property, Plant and Equipment	A	1,528.04	153.66	1,681.70
(b) Financial Assets				
(i) Loans		-	-	-
(c) Others financial assets		14.18	-	14.18
(d) Assets for Current Tax (Net)		59.74	-	59.74
		-	-	-
2 **Current assets**		-	-	-
(a) Inventories		687.52	-	687.52
(b) Financial Assets		-	-	-
(i) Trade receivables		462.93	-	462.93
(ii) Cash and cash equivalents		4.11	-	4.11
(iii) Bank Balances other than Cash and cash equivalents		0.26	-	0.26
(iv) Loans		4.25	-	4.25
(c) Other current assets		137.20	-	**137.20**
		-	-	-
TOTAL		**2,898.23**	**153.66**	**3,051.89**
EQUITY AND LIABILITIES				
1 **Equity**		-	-	-
a) Equity share capital		271.00	-	271.00
b) Other equity		74.76	1.84	76.60
2 **Liabilities**				
(a) Financial Liabilities		-	-	-
(i) Borrowings	B	1,277.87	(2.75)	1,275.12
(b) Deferred tax liabilities (Net)	E	119.09	0.91	120.00
(c) Other non - current liabilities	A	-	153.66	153.66
		-	-	-
3 **Current liabilities**		-	-	-
(a) Financial Liabilities		-	-	-
(i) Borrowings		125.46	-	125.46
(ii) Trade payables		638.53	-	638.53
(iii)Other current financial liabilities		260.65	-	260.65
(b) Other current liabilities		45.26	-	45.26
(c) Provisions		85.61	-	85.61
		-	-	-
TOTAL		**2,898.23**	**153.66**	**3,051.89**

* As required under Paragraph (10C) of Ind AS 101 the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS		-	-	-
1 **Non-current Assets**		-	-	-
(a) Property, Plant and Equipment	**A**	1,433.49	143.65	1,577.14
(b) Financial Assets		-	-	-
(i) Loans				
(c) Others financial assets		14.18	-	14.18
(d) Assets for Current Tax (Net)		73.46	-	73.46
(e) Other Non Current Asset		7.36	-	7.36
		-	-	-
2 **Current assets**		-	-	-
(a) Inventories		846.96	-	846.96
(b) Financial Assets		-	-	-
(i) Trade receivables		1,218.27	-	1,218.27
(ii) Cash and cash equivalents		11.49	-	11.49
(iii) Bank Balances other than Cash and cash equivalents		0.26	-	0.26
(iv) Loans		6.20	-	6.20
(c) Other current assets		192.42	-	192.42
		-	-	-
		-	-	-
TOTAL		**3,804.09**	**143.65**	**3,947.74**
EQUITY AND LIABILITIES		-	-	-
1 **Equity**		-	-	-
a) Equity share capital		271.00	-	271.00
b) Other equity		2.40	1.20	3.60
		-	-	-
2 **Liabilities**		-	-	-
Non-current liabilities		-	-	-
(a) Financial Liabilities		-	-	-
(i) Borrowings	**B**	1,150.39	(1.78)	1,148.61
(b) Deferred tax liabilities (Net)	**E**	75.47	0.58	76.05
(c) Other non - current liabilities	**A**	-	133.64	133.64
		-	-	-
3 **Current liabilities**		-	-	-
(a) Financial Liabilities		-	-	-
(i) Borrowings		328.25	-	328.25
(ii) Trade payables		1,329.04	-	1,329.04
(iii)Other current financial liabilities		503.70	-	503.70
(b) Other current liabilities		103.02	-	103.02
(c) Provisions		50.83	-	50.83
		-	-	-
		-	-	-
TOTAL		**3,814.10**	**133.64**	**3,947.74**

II B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Previous	Ind AS adjustments	Ind AS
Revenue from Operations	D	7,660.97	14.42	7,675.39
Other Income	A	15.21	10.01	25.22
Total		**7,676.18**	**24.43**	**7,700.61**
Expenses				
Cost of materials consumed		4,997.34	-	4,997.34
Purchases of Stock-in-Trade		-	-	-
Changes in inventories of finished goods, Stock-in-Trade and work-in progress		(12.53)	-	(12.53)
Manufacturing and Operating Costs	**D**	432.95	14.42	447.37
Employee benefits expense	**C**	1,666.74	14.80	1,681.54
Finance costs	**B**	186.56	0.96	187.52
Depreciation and amortization expense	**A**	125.23	10.01	135.24
Other expenses		395.88	-	395.88
Total		**7,792.17**	**40.20**	**7,832.36**
Profit before exceptional items and tax		**(115.99)**	**-**	**(131.75)**
Exceptional Items		-	-	-
Profit before tax		**(115.99)**	**-**	**(131.75)**
Tax expense				
Current tax		-	-	-
Deferred tax (net)		(43.63)	(4.89)	(48.52)
Profit for the year (A)		**(72.36)**	**4.89**	**(83.23)**
Other Comprehensive Income				
		-	-	-
Items that will not be reclassified to profit or loss		-	-	-
Remeasurements of net defined benefit plans	**C**	-	14.80	14.80
Tax effect on above		-	(4.57)	(4.57)
Other Comprehensive Income for the year (B)		-	10.23	10.23
Total Comprehensive Income for the year (A+B)		**(72.36)**	**(5.34)**	**(73.00)**
Less:-				
		-	-	-
Equity holder of parent		**(72.36)**	**(5.34)**	**(73.00)**

III A **Reconciliation of Equity**

	Note	As at 31st March,2016	As at 1st April,2015
Total equity under local GAAP		2.40	74.76
Adjustments impact: Gain/ (Loss)			
Loan processing charges	B	1.78	2.75
Deferred tax	E	(0.58)	(0.91)
Total IND AS adjustment		**1.20**	**1.84**
Total equity under Ind AS		**3.60**	**76.60**

III B **Reconciliation of Income Statement**

	Note	For the period ended 31st March'2016
Profit after tax under local GAAP		(72.36)
Adjustments Gain/ (Loss)		
Increase in employee benefit expense due to fair valuation of gratuity	C	(14.80)
Impact on finance cost due to amortisation of processing cost	B	(0.96)
Deferred tax assets on IND AS adjustment		4.89
Total adjustment		**(10.87)**
Profit after tax as per Ind AS		**(83.23)**
Remeasurements of net defined benefit plans		14.80
Tax effect of above		(4.57)
Total comprehensive income as per Ind AS		**(73.00)**

III C **Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016**

	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flow from operating activities	47.29	0.03	47.26
Net cash flow from investing activities	(37.04)	(0.01)	(37.03)
Net cash flow from financing activities	(2.87)	(0.02)	(2.85)
Net increase/(decrease) in cash and cash equivalents	7.38	0.00	7.38
Cash and cash equivalents as at 1 April 2015	4.37	-	4.37
Effects of exchange rate changes on cash and cash equivalents			
Cash and cash equivalents as at 31 March 2016	11.75	0.00	11.75

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to IND AS,

A As stated in the Note 1(t) (Accounting policy Note), on transition to Ind AS, the Company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1st April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. However, in view of the Ind AS Transition Facilitation Group (ITFG) clarification bulletin dated April 17, 2017, the deemed cost of property, plant and equipment as at the transition date has been increased by Rs. 153.66 Lacs being the unamortised Capital Subsidy/EPCG of Rs. 153.66 as on the date of the transition (refer Note on EPCG/Capital subsidy 31).

B **Borrowings**

As required under the IND AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings and to the extent attributable to Current maturity of long term debts.

Under the previous GAAP, these transaction costs were charged to the statement of profit and loss as and when incurred. Consequently, borrowings as at 31 March 2016 have been reduced by Rs.1.78 Lacs (April 1, 2015- Rs.2.75 Lacs) with a corresponding adjustment to retained earnings resulting in increase in total equity. The profit under the previous GAAP for the year ended 31 March 2016 has been reduced by Rs.0.96 Lacs as a result of the additional interest expense.

C **Remeasurements of post employment benefit obligation**

Under Ind AS, remeasurements i.e. acturial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increase by Rs 14.80 lakhs There is no impact on the total equity as at 31st March 2016.

D **Excise Duty**

Under the previous GAAP revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by Rs.14.42 lakhs. There is no impact on the total equity and profit.

E **Deferred Tax**

Under the previous GAAP, deferred tax assets unabsorbed depreciation or carry forward of losses under tax laws, were recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, whereas under IndAS, deferred tax asset on these items can be recognised when there is sufficient taxable temporary differences or there is convincing other evidence. Accordingly, the Company has recognised deferred tax liability aggregating Rs 0.90 Lakhs as at 1st April 2015 and Rs.0.58 lakhs as at 31st March 2016 on such items.

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COLORPLUS FASHIONS LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	**:**	SHRI S.L. POKHARNA SHRI R. A. PRABHUDESAI, Independent Director SHRI R. NARAYANAN, Independent Director SHRI BIBEK AGARWALA
STATUTORY AUDITORS	**:**	MESSRS. DALAL & SHAH CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	**:**	MESSRS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	**:**	JEKEGRAM, POKHRAN ROAD NO.1, THANE – 400606, MAHARASHTRA

COLOR PLUS FASHIONS LIMITED

(CIN: U51102MH1987PLC260720)

Board's Report

To
The Members,

Your Directors have pleasure in presenting their Thirtieth Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

This Company operates as the ready-to-wear premium casual lifestyle brand for men under the "Colorplus' brand. The Company's Gross Revenue for FY 2017 was ₹ 269.32 crore (Previous Year: ₹ 264.78 crore). The Company incurred a Loss of ₹ 12.15 crore (Previous Year: Loss of ₹ 4.27 crore).

Pursuant to Scheme of Arrangement between Raymond Apparel Limited (RAL) and the Company, the Ready-made Garments and Accessories Undertaking / Business of the Company is being demerged into RAL. Necessary Applications was made by both the Companies to National Company Law Tribunal (NCLT), Mumbai Bench. By an order dated February 23, 2017 of the NCLT, meetings of the respective shareholders of RAL and CPFL were held on April 12, 2017. RAL and CPFL are in the process of obtaining the approval of the NCLT, Mumbai Bench for the said Scheme of Arrangement.

2. DIVIDEND

In view of the loss incurred during the year under review, no dividend has been recommended.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. AUDITORS

4.1 STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Company places on record its appreciation for the services rendered by M/s. Dalal & Shah LLP, Chartered Accountants as Statutory Auditors of the Company.

Further, subject to approval of members in the ensuing Annual General Meeting, the Board of Directors of the Company has recommended the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), as statutory auditors of the Company in terms of Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no qualification in the audit report for the year under review.

4.2 SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Ashish Bhatt & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure – A,** and forms integral part of this Report.

There is no secretarial audit qualification for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised Standard Operating Procedures.

The Company has entrusted the internal and operational audit to M/s Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was ₹1.00 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares in the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any Loan, Guarantee or Investments falling within Section 186 of the Companies Act, 2013.

9. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri S.L. Pokharna, Director retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

During the year, four Board Meetings were held on April 25, 2016, July 19, 2016, October 24, 2016 and January 24, 2017.

Sr. No	Name of Directors	**Date of Board Meeting**			
		25.04.2016	19.07.2016	24.10.2016	24.01.2017
1	Shri S.L. Pokharna	✓	✓	✓	✓
2	Shri R. A. Prabhudesai	✓	✓	✓	✓
3	Shri R. Narayanan	✓	✓	✓	✓
4	Shri Bibek Agarwala	✓	✓	✓	✓

Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

10. COMMITTEE OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee has been constituted.

The current Composition of the Committee as under:

1. Shri R.A. Prabhudesai : Independent Director, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri S.L. Pokharna : Non- Executive Director, Member

The terms of reference of the Committee are as stipulated in Section 177 of the Companies Act, 2013.

During the year, Audit Committee Meetings held and attendance of Directors at the meeting is given below;

Sr. No	Name of Directors	Date of Meeting			
		25.04.2016	19.07.2016	24.10.2016	24.01.2017
1	Shri R. A. Prabhudesai	✓	✓	✓	✓
2	Shri R. Narayanan	✓	✓	✓	✓
3	Shri S.L. Pokharna	✓	✓	✓	✓

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee on February 13, 2015. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Composition of the Committee is as under:

a. Shri R.A. Prabhudesai : Independent Director, Chairman
b. Shri R. Narayanan : Independent Director, Member
c. Shri S.L. Pokharna : Non-executive Director, Member

The terms of reference of Nomination and Remuneration Committee are as under:

i. to help in determining the appropriate size, diversity and composition of the Board;
ii. to recommend to the Board appointment/re-appointment and removal of Directors;
iii. to frame criteria for determining qualifications, positive attributes and independence of Directors;
iv. to recommend to the Board, remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
v. to create an evaluation framework for Independent Directors and the Board;
vi. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
vii. delegation of any of its powers to any Member of the Committee or the Compliance Officer.

During the year, no meeting of Nomination and Remuneration Committee was held.

Committee of Directors

For administrative convenience, a Committee of the Board of Directors of the Company was constituted on January 20, 2016, by the Board of Directors of the Company, for handling day to day affairs of the Company.

The current Composition of the Committee is as under:

1. Shri S.L. Pokharna
2. Shri Bibek Agarwala
3. Shri R. Narayanan

During the year, Meetings of Committee of Directors held and attendance of Directors at the meeting is given below;

Sr. No.	Name of Director	DATE OF MEETING	
		14.06.2016	30.01.2017
1	Shri S.L. Pokharna	✓	✓
2	Shri Bibek Agarwala	✓	✓
3	Shri R. Narayanan	✓	-

11. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

12. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed periodically and steps as appropriate are taken to mitigate the risks.

13. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii. the directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the directors have prepared the annual accounts on a going concern basis; and

v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure B"** to this Report.

15. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure C"** to this Report.

16. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

17. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments for the period under review, which affects the financial position of the Company.

18. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

19. ACKNOWLEDGEMENT

Your Directors express their warm appreciation to all its employees for their diligence and contribution. The Board records its grateful appreciation for the co-operation, support and valuable guidance received from banks, central and state government authorities, customers, and suppliers.

For and on behalf of the Board

sd/-	sd/-
S.L. Pokharna	**Bibek Agarwala**
Director	**Director**
DIN: 01289850	**DIN: 07267564**

Place: Mumbai
Date: April 27, 2017

Annexure A

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Color plus Fashions Limited
Jekegram,
Pokhran Road No.1,
Thane, Thane MH 400606

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Color plus Fashions Limited (hereinafter called the company) The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not applicable to the Company during audit period);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (Not applicable to the Company during audit period);

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings (Not applicable to the Company during audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Not applicable to the Company during audit period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, (Not applicable to the Company during audit period);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities of the Company are not listed on any Stock Exchange hence no comment is made about Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of -Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has passed the following special resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. De-merger of the Ready-made Garments and Accessories Undertaking / Business of the Company into Raymond Apparel Limited.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 27, 2017

Annexure I

List of applicable laws to the Company

Under the Major Group and Head

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts as prescribed under Direct Tax and Indirect Tax;
3. Labour Welfare Act of respective States;
4. Trade Marks Act, 1999;
5. Copy Right Act, 1957;
6. Designs Act, 2000;
7. Legal Metrology Act, 2009;
8. Indian Stamp Act, 1899;
9. Sale of Goods Act, 1930;
10. Competition Act, 2002;
11. Acts as prescribed under Shop and Establishment Act of various local authorities.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 27, 2017

Annexure B

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A) Conservation of energy-

The Company has taken several steps to conserve energy, indicated as below.

- Reduction of per unit consumption through converting existing CDMT bulbs into LED bulbs thereby reducing Carbon footprint significantly.
- Installation of latest energy saving equipments with 5 star ratings.
- Improving the efficiency of Air conditioners by injecting effluent treatment fluid.
- Regular maintenance backed with breakdown and preventive maintenance schedules.

(B) Technology absorption-

Being a leading player in the premium casual segment, your Company is continuously engaged in developing new styles that are customer centric. No separate expenditure is incurred on Research and Development.

(C) Foreign exchange earnings and Outgo –

During the year Foreign Exchange earnings was ₹ 249.14Lac (Previous Year: ₹ 314.84 Lac) and the Foreign Exchange outgo was ₹ 344.24 Lac (Previous Year ₹ 563.91 Lac).

Annexure C

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

A.	CIN	U51102MH1987PLC260720
B.	Registration Date	04/06/1987
C.	Name of the Company	COLOR PLUS FASHIONS LIMITED
D.	Category/Sub-category of the Company	Company Limited by shares/ Indian Non-Government Company
E.	Address of the Registered office & contact details	Jekegram, Pokhran Road No.1, Thane – 400606, Maharashtra
F.	Whether listed company	No
G.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Men's Shirts	62052002	42
2	Men's Trousers	62034300	30
3	Men's T-shirt	61091000	14

III. PARTICULARS OF HOLDING COMPANIES

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1.	Raymond Apparel Limited Jekegram, Pokhran Road No.1, Thane – 400606. Maharashtra	U18109MH2006PLC262077	Holding Company	100%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	99993	7	100000	100%	99993	7	100000	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**99993**	**7**	**100000**	**100%**	**99993**	**7**	**100000**	**100%**	**-**
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**99993**	**7**	**100000**	**100%**	**99993**	**7**	**100000**	**100%**	-

B. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Raymond Apparel Limited and its Nominees	100000	100%	-	100000	100%	-	-

C. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no change in the Promoters' Shareholding**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):
The entire shareholding of the Company is held by Raymond Apparel Limited and its Nominees.

E. Shareholding of Directors and Key Managerial Personnel:
None of the Directors hold any shares in the Company. Also, there are no Key Managerial Personnel in the Company.

F. **INDEBTEDNESS**
Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2647.93	-	-	2647.93
ii) Interest due but not paid	4.52	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**2652.45**	**-**	**-**	**2647.93**
Change in Indebtedness during the financial year				
* Addition	864.36	6500.00	-	7364.36
* Reduction	-	6500.00	-	6500.00
Net Change	**-**	**-**	**-**	
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	3512.29	-	-	3512.29
ii) Interest due but not paid	4.52	-	-	4.52
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**3516.81**	**-**	**-**	**3516.81**

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

No person holds the office of Managing Director, Whole-time Directors and/or Manager in the Company.

B. REMUNERATION TO OTHER DIRECTORS:

(₹ In Lac)

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	R.A. Prabhudesai	R. Narayanan	
	Fee for attending board / committee meetings	2,50,000	2,50,000	5,00,000
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	2,50,000	2,50,000	5,00,000
2	Other Non-Executive Directors	Bibek Agarwala	S.L. Pokharna	
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	**2,50,000**	**2,50,000**	**5,00,000**
	Total Managerial Remuneration	NA	NA	NA
	Overall Ceiling as per the Act	NA	NA	NA

C. **C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD** (Not Applicable)

VI. VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment/ Compounding fees imposed**	**Authority [RD / NCLT/ COURT]**	**Appeal made, if any (give Details)**
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Independent Auditors' Report

To the Members of Colorplus Fashions Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Colorplus Fashions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 25, 2016 and April 28, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer note 35;

(ii) The Company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer note 45.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 27, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Colorplus Fashions Limited on the Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Colorplus Fashions Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 27, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Colorplus Fashions Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2 on property, plant and equipment to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, service-tax and duty of customs and duty of excise which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	10.02	AY 2001-2002	High Court, Tamil Nadu
Central Sales Tax Act, 1956	Sales Tax	270.03	2008-2009	Assistant Commissioner
Central Sales Tax Act, 1956	Sales Tax	43.21	2011-2012	Joint Commissioner of Sales Tax
Maharashtra Value Added Tax Act, 2002	Value Added Tax	14.89	2011-2012	Joint Commissioner of Sales Tax
Karnataka Value Added Tax Act, 2003	Value Added Tax	317.09	2013-2014	High Court, Karnataka

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has not paid / provided for managerial remuneration during the year. Therefore the provisions of clause (xi) of the said order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 27, 2017

Colorplus Fashions Limited

Balance Sheet

(Rs. in lakhs)

	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
I ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipment	2	642.70	844.96	989.42
(b) Capital work - in - progress		2.41	-	19.58
(c) Intangible assets	3	21.49	34.26	49.47
(d) Financial Assets				
(i) Loans	4	-	-	8.15
(ii) Other financial assets	5	1,281.34	1,213.36	1,192.81
(e) Deferred tax assets (Net)	32	1,688.43	1,142.07	924.70
(f) Current tax assets (Net)		377.56	619.23	607.54
(g) Other non - current assets	6	484.03	469.04	414.01
2 Current assets				
(a) Inventories	7	9,164.97	8,267.21	7,462.67
(b) Financial Assets				
(i) Trade receivables	8	2,322.59	3,028.28	2,468.53
(ii) Cash and cash equivalents	9	46.51	68.08	50.80
(iii) Loans	10	1.80	0.67	5.37
(iv) Other financial assets	11	137.31	86.76	33.63
(c) Other current assets	12	521.46	458.33	393.08
3 Non-current assets classified as held for sale	13	-	-	216.18
TOTAL ASSETS		**16,692.60**	**16,232.25**	**14,835.94**
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	14	100.00	100.00	100.00
(b) Other equity	15	5,917.35	7,133.77	7,560.35
2 Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	4,400.02	3,692.83	3,243.61
(ii) Trade Payables	17	5,349.75	4,392.66	3,024.29
(iii) Other financial liabilities	18	304.64	151.30	214.87
(b) Other current liabilities	19	573.58	720.16	653.65
(c) Short term provisions	20	47.26	41.53	39.17
TOTAL LIABILITIES		**16,692.60**	**16,232.25**	**14,835.94**

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 27, 2017

For and on behalf of the Board of Directors

sd/-

Shantilal Pokharna
Director
DIN : 01289850

sd/-

Bibek Agarwala
Director
DIN : 07267564

Place: Mumbai
Date: April 27, 2017

Colorplus Fashions Limited

Statement of Profit and Loss

		Note	Year ended Mar 31, 2017	Year ended Mar 31, 2016
				(Rs. in lakhs)
I	**Income**			
	Revenue from Operations	21	26,932.19	26,478.15
	Other Income	22	111.68	52.62
	Total Income (I)		**27,043.87**	**26,530.77**
II	**Expenses**			
	Cost of materials consumed	23	391.38	464.61
	Purchases of Stock-in-Trade	24	14,514.18	13,833.28
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	25	(950.88)	(784.00)
	Manufacturing and Operating Costs	26	118.86	75.81
	Employee benefits expense	27	1,343.43	1,431.66
	Finance costs	28	438.14	319.18
	Depreciation and amortization expense	29	340.28	437.46
	Other expenses	30	12,609.39	11,807.58
	Total expenses (II)		**28,804.78**	**27,585.58**
III	**Loss before tax (II- III)**		(1,760.91)	(1,054.81)
IV	**Exceptional Items (IV)**	31	-	(409.62)
V	**Loss before tax (III-IV)**		**(1,760.91)**	**(645.19)**
VI	**Tax expense**	32		
	Current tax		-	-
	Deferred tax charge/(credit)		(545.78)	(217.75)
VII	**Loss for the year (V-VI)**		**(1,215.13)**	**(427.44)**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit and loss			
	Remeasurements of net defined benefit plans	39	(1.87)	1.24
	Deferred tax charge/(credit) relating to these items		0.58	(0.38)
	Other Comprehensive Income for the year (VIII)		**(1.29)**	**0.86**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**(1,216.42)**	**(426.58)**
X	**Earnings per equity share of Rs. 10 each :**	37		
	Basic and diluted earnings per share (Rs.)		(1,215.13)	(427.44)

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 27, 2017

For and on behalf of the Board of Directors

sd/-

Shantilal Pokharna
Director
DIN : 01289850

sd/-

Bibek Agarwala
Director
DIN : 07267564

Place: Mumbai
Date: April 27, 2017

Colorplus Fashions Limited

Statement of Changes in Equity

A. Equity Share Capital

	(Rs. in lakhs)
	Amount
Balance as at April 1, 2015	**100.00**
Changes in equity share capital	-
Balance as at March 31, 2016	**100.00**
Changes in equity share capital	-
Balance as at March 31, 2017	**100.00**

B. Other Equity

(Rs. in lakhs)

	Reserves and Surplus				
	Capital Redemption Reserve	**Securities Premium Reserve**	**General Reserves**	**Retained Earnings**	**Total**
Balance as at April 01, 2015	**548.00**	**347.52**	**1,196.53**	**5,468.30**	**7,560.35**
Profit for the year	-	-		(427.44)	(427.44)
Other Comprehensive Income for the year				0.86	0.86
Total Comprehensive Income for the year	-	-	-	**(426.58)**	**(426.58)**
Balance as at March 31, 2016	**548.00**	**347.52**	**1,196.53**	**5041.72**	**7,133.77**
Profit for the year				(1,215.13)	(1,215.13)
Other Comprehensive Income for the year				(1.29)	(1.29)
Total Comprehensive Income for the year	-	-	-	**(1,216.42)**	**(1,216.42)**
Balance as at March 31, 2017	**548.00**	**347.52**	**1,196.53**	**3,825.30**	**5,917.35**

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 27, 2017

For and on behalf of the Board of Directors

sd/-

Shantilal Pokharna
Director
DIN : 01289850

sd/-

Bibek Agarwala
Director
DIN : 07267564

Place: Mumbai
Date: April 27, 2017

Colorplus Fashions Limited

Cash Flow Statement

				Year ended Mar 31, 2017		Year ended Mar 31, 2016
						(Rs. in lakhs)
A	**Cash Flow from Operating Activities:**					
	Net Loss before Tax and Exceptional items as per Statement of Profit and Loss			(1,760.91)		(1,054.81)
	Add/(Deduct)					
		a) Depreciation and Amortisation charge	340.28		437.46	
		b) Finance cost	438.14		319.18	
		c) (Profit)/Loss on sale/write off of Assets/Capital work in progress (Net)	1.67		23.46	
		d) Provision for Doubtful debts, doubtful claims and doubtful deposits	62.85		86.47	
		e) Interest Income	(104.96)		(23.93)	
		f) Unrealised (Gain)/Loss on Foreign Currency Translation	3.30		7.58	
		g) Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	5.38		1.96	
		h) (Loss)/Gain from Remeasurement of net defined benefit plan	(1.87)		1.24	
				744.79		853.42
	Operating Profit before Working Capital changes			(1,016.12)		(201.39)
	Add/(Deduct)					
		a) (Increase)/Decrease in Inventories	(897.75)		(804.54)	
		b) (Increase)/Decrease in Trade and Other Receivables	452.19		(613.18)	
		c) Increase/(Decrease) in Trade and Other Payable	792.13		1,414.88	
				346.57		(2.84)
	Cash Inflow/(Outflow) from operations			(669.56)		(204.23)
	Deduct :	Direct Taxes paid (net of refund)		241.67		(11.69)
	Net cash Inflow/(Outflow) from Operating Activities before Exceptional items			(427.88)		(215.92)
	Add/(Deduct) :	Cash Inflow/ (Outflow) from Exceptional items		-		-
	Net cash Inflow/(Outflow) from Operating Activities after Exceptional items			(427.88)		(215.92)
B	**Cash Flow from Investing Activities:**					
	Inflow	a) Sale of Fixed Assets	1.42		2.54	
		b) Interest Received	87.34		16.02	
		c) Exceptional items (sale of assets)	-		409.62	
				88.76		428.18
	Outflow	Purchase of Fixed Assets		64.82		325.02
	Net cash Inflow/(Outflow) from Investing activity			23.94		103.16
C	**Cash Flow from Financing Activities:**					
	Inflow	a) Inter Corporate Deposit taken	6,500.00		6,500.00	
		b) Increase in other borrowings (Net)	707.19		449.22	
				7,207.19		6,949.22
	Outflow	a) Repayment of Inter Corporate Deposit	6,500.00		6,500.00	
		b) Finance Charges paid	433.62		319.18	
				6,933.62		6,819.18
	Net Cash Inflow / (Outflow) from Financing Activity			273.57		130.04
	Net Increase/(Decrease) in Cash/Cash Equivalents (A+B+C)			**(130.37)**		**17.28**
	Cash and Cash equivalents at the beginning of the year			68.08		50.80
	Cash and Cash equivalents at the close of the year			**(62.30)**		**68.08**

Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and Cash equivalent as per above comprises of the following		
Cash and Cash Equivalents (Refer Note 9)	46.51	68.08
Bank Overdrafts (Refer Note 18)	(108.81)	-
Balances as per statement of Cash Flows	**(62.30)**	**68.08**

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number 102021W/W100110

sd/-

Vipin R Bansal
Partner
Membership Number 117753

Place: Mumbai
Date: April 27, 2017

For and on behalf of the Board of Directors

sd/-

Shantilal Pokharna
Director
DIN: 01289850

sd/-

Bibek Agarwala
Director
DIN: 07267564

Place: Mumbai
Date: April 27, 2017

Colorplus Fashions Limited
Notes to the financial statements

Note 1 - Statement of Significant Accounting Policies

1. Background

Colorplus Fashions Limited (the "Company"),headquartered in Mumbai, Maharashtra(CIN: U51102MH1987PLC260720), is one of India's most respected branded apparel company. The Company brings to the consumers best of fabric and style through its brand 'Colorplus'. The Company sells primarily in India through independent retailers, large format stores and its own retail outlets.

2. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts
All amounts disclosed in the financial statemnets and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) 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 and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation on Plant and Machinery and Electric installaton is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful lives of assets. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful life of assets are same as those prescribed in schedule II of the Act.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

The Company amortizes computer software using the straight-line method over the period of 5 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.Cost of purchase is ascertained based on the continuous moving weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Investments and other financial assets

(i) Classification
The company classifies its financial assets in the following measurement categories:
(1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and;

(2) those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement
At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characterstics of the asset. The Company classifies its debt instruments into following categories:

(1) **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2) **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

(i) Impairment of non-financial assets

Non- financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Non-current assets held for sale

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

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

(k) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(l) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(m) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

(n) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are delivered to the customer and in case of export customers,when goods are shipped onboard based on bill of lading.

Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

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

(p) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(q) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. 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 defferd income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(r) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Colorplus Fashions Limited
Notes to the financial statements

Note 2 - Property, Plant and Equipment

(Rs. in lakhs)

	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Computers	Leasehold Improvements	Total
Gross Carrying Amount								
Deemed Cost as at April 01, 2015	34.28	88.83	35.31	122.18	25.90	30.28	652.64	989.42
Additions	-	-	-	2.47	28.86	31.88	218.19	281.40
Disposals	-	-	3.41	2.62	0.68	-	0.15	6.86
Balance as at March 31, 2016	**34.28**	**88.83**	**31.90**	**122.03**	**54.08**	**62.16**	**870.68**	**1263.96**
Additions	-	-	-	8.24	16.37	14.38	87.48	126.47
Disposals	-	-	-	-	-	0.61	13.36	13.97
Balance as at March 31, 2017	**34.28**	**88.83**	**31.90**	**130.27**	**70.45**	**75.93**	**944.80**	**1,376.46**
Accumulated Depreciation								
Depreciation charge for the year	-	1.68	3.01	66.27	14.51	40.33	293.65	419.45
Disposals	-	-	0.15	0.14	0.10	-	0.06	0.45
Balance as at March 31, 2016	**-**	**1.68**	**2.86**	**66.13**	**14.41**	**40.33**	**293.59**	**419.00**
Depreciation charge for the year	-	1.68	2.87	25.43	19.19	21.09	255.38	325.64
Disposals	-	-	-	-	-	-	10.88	10.88
Balance as at March 31, 2017	**-**	**3.36**	**5.73**	**91.56**	**33.60**	**61.42**	**538.09**	**733.76**
Net Carrying Amount								
Balance as at March 31, 2017	34.28	85.47	26.17	38.71	36.85	14.51	406.71	642.70
Balance as at March 31, 2016	34.28	87.15	29.04	55.90	39.67	21.83	577.09	844.96
Balance as at April 01, 2015	34.28	88.83	35.31	122.18	25.90	30.28	652.64	989.42

Note:

(a) Refer note 34 for disclosure of property, plant and equipment pledged as security.

(b) Refer to note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment .

(c) Land and Buildings include Rs. 8.24 Lakhs and Rs. 58.06 Lakhs respectively, pertaining to purchase of property at Pune which has been acquired by the Company by way of assignment of rights to the property vested by way of an assignment deed executed by the seller of the property.

Colorplus Fashions Limited
Notes to the financial statements

Note 3 - Intangible assets

(Rs. in lakhs)

	Computer Software #	**Total**
Gross Carrying Amount		
Deemed cost as at April 01, 2015	49.47	49.47
Additions	2.80	2.80
Disposals	-	-
Balance as at March 31, 2016	**52.27**	**52.27**
Additions	1.87	1.87
Disposals	-	-
Balance as at March 31, 2017	**54.14**	**54.14**
Accumulated Depreciation		
Depreciation charge for the year	18.01	18.01
Disposals	-	-
Balance as at March 31, 2016	**18.01**	**18.01**
Depreciation charge for the year	14.64	14.64
Disposals	-	-
Balance as at March 31, 2017	**32.65**	**32.65**
Net Carrying Amount		
Balance as at March 31, 2017	21.49	21.49
Balance as at March 31, 2016	34.26	34.26
Balance as at April 01, 2015	49.47	49.47

Other than internally generated software.

Colorplus Fashions Limited
Notes to the financial statements

Note 4 - Non Current Loans
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
Loans to employees		-		-		0.65
Loans to others, considered doubtful	7.50		7.50			7.50
Less: Provision for doubtful loans to others	(7.50)	-	(7.50)	-		
Total		**-**		**-**		**8.15**

Note 5 - Other non current financial assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
Security Deposits		1281.34		1213.36		1192.81
Security Deposits, considered doubtful	16.02		16.02		5.73	
Less: Allowance for doubtful security deposits	(16.02)	-	(16.02)	-	(5.73)	-
Interest receivable, considered doubtful	18.66		18.66		18.66	
Less: Allowance for doubtful Interest receivable	(18.66)	-	(18.66)	-	(18.66)	-
Total		**1,281.34**		**1,213.36**		**1,192.81**

Note 6 - Other non-current assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
Capital advances		5.99		7.80		8.19
Prepaid expenses		268.42		239.82		222.33
VAT Receivable		48.64		40.44		28.62
Deposits with customs, port trust, excise and other govt. authorities		160.98		180.98		154.87
Advances to Suppliers, considered doubtful	14.31		14.31			
Less: Allowance for doubtful supplier advances	(14.31)	-	(14.31)	-		-
Total		**484.03**		**469.04**		**414.01**

The movement in Allowance for doubtful advances is as follows: **(Rs. in lakhs)**

	As at March 31, 2017	As at March 31, 2016
Provision for doubtful loans		
Balance as at beginning of the year	7.50	-
Allowance for doubtful loans during the year	-	7.50
Written-back during the year	-	-
Balance as at the end of the year	**7.50**	**7.50**
Provision for doubtful deposits		
Balance as at beginning of the year	16.02	5.73
Allowance for doubtful deposits during the year	-	11.98
Written-back during the year	-	(1.69)
Balance as at the end of the year	**16.02**	**16.02**
Provision for interest receivable		
Balance as at beginning of the year	18.66	18.66
Allowance for doubtful receivable during the year	-	-
Written-back during the year	-	-
Balance as at the end of the year	**18.66**	**18.66**
Provision for doubtful supplier advances		
Balance as at beginning of the year	14.31	-
Allowance for doubtful advances during the year	-	14.31
Written-back during the year	-	-
Balance as at the end of the year	**14.31**	**14.31**

Note 7 - Inventories

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Raw Materials	25.11	87.84	77.63
Raw Materials - In Transit	16.12	0.06	0.13
Finished goods	216.57	193.54	357.78
Stock-in-trade	8,886.28	7,958.43	7,010.19
Packing Material	20.89	27.34	16.94
Total	**9,164.97**	**8,267.21**	**7,462.67**

Write-down of inventories to net realisable value amounted to Rs. 1,309 lakhs as at March 31, 2017, Rs. 944 lakhs as at March 31, 2016 and Rs. 664 lakhs as at April 01, 2015. These write-downs were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit and loss.

Colorplus Fashions Limited
Notes to the financial statements

Note 8 - Trade receivables

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Considered good			
Secured			
Other parties	2.21	3.11	13.58
Unsecured			
Related parties [refer Note 40]	174.27	195.07	151.41
Other parties	2,146.11	2,830.10	2,303.54
Considered doubtful			
Other parties	78.43	75.58	35.46
Less: Allowance for doubtful receivables	(78.43)	(75.58)	(35.46)
Total	**2,322.59**	**3,028.28**	**2,468.53**

Refer Note 42 for information about credit risk and market risk of trade receivables.

Note 9 - Cash and cash equivalents

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cash on hand	39.71	60.35	35.07
Balances with Banks			
In current accounts	6.80	7.73	15.73
Total	**46.51**	**68.08**	**50.80**

Colorplus Fashions Limited
Notes to the financial statements

Note 10 - Current loans
(Unsecured, Considered good)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loans to employees	1.80	0.67	5.37
Total	**1.80**	**0.67**	**5.37**

Note 11 - Other current financial assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015
Rent deposits		89.49		66.54	18.45
Interest receivable		26.59		8.97	1.06
Claims and other receivables		6.40		3.77	2.60
Claims and other receivables, considered doubtful	61.96		1.96		
Less: Allowance for doubtful receivables	(61.96)	-	(1.96)	-	-
Other assets		14.83		7.48	11.52
Total		**137.31**		**86.76**	**33.63**

The movement in Allowance for doubtful assets is as follows:

(Rs. in lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Provision for doubtful claims and other receivables		
Balance as at beginning of the year	1.96	-
Allowance for doubtful assets during the year	60.00	1.96
Written-back during the year	-	-
Balance as at the end of the year	**61.96**	**1.96**

Note 12 - Other current assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015
Export benefit receivables		5.55		5.15	11.52
Export benefit receivables-considered doubtful	10.61		10.61		
Less: Provision for doubtful benefit receivables	(10.61)	-	(10.61)	-	-
VAT Credit Receivable		251.27		202.20	160.77
Advances to Suppliers		126.77		24.54	103.89
Deposits with customs, port trust, excise and other govt. authorities		12.89		6.84	-
Prepaid expenses		106.84		111.72	95.90
Other advances					
- Related party		-		88.24	-
- Other than related party		18.14		19.64	21.00
Total		**521.46**		**458.33**	**393.08**

The movement in Allowance for doubtful assets is as follows:

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016
Provision for doubtful export benefit receivables		
Balance as at beginning of the year	10.61	-
Allowance for doubtful assets during the year	-	10.61
Written-back during the year	-	-
Balance as at the end of the year	**10.61**	**10.61**

Note 13 - Non-current assets classified as held for sale
(Unsecured, Considered good)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Land	-	-	146.16
Buildings	-	-	70.02
Total	-	-	**216.18**

Colorplus Fashions Limited
Notes to the financial statements

Note 14 - Equity Share capital

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised			
2,00,000 (March 31, 2016: 2,00,000; April 01,2015: 2,00,000) Equity Shares of Rs.100 each	200.00	200.00	200.00
5,50,000 (March 31, 2016: 5,50,000; April 01,2015: 5,50,000) 0.1% Redeemable Non-Cumulative preference shares of Rs 100 each	550.00	550.00	550.00
Issued			
1,00,000 (March 31, 2016: 1,00,000; April 01,2015: 1,00,000) Equity Shares of Rs.100 each	100.00	100.00	100.00
5,48,000 (March 31, 2016: 5,48,000; April 01,2015: 5,48,000) 0.1% Redeemable Non-Cumulative preference -shares of Rs.100 each	548.00	548.00	548.00
Subscribed and Paid up			
1,00,000 (March 31, 2016: 1,00,000; April 01,2015: 1,00,000) Equity Shares of Rs. 100 each fully paid up	100.00	100.00	100.00
	100.00	**100.00**	**100.00**

a) Reconciliation of number of shares

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of shares	**Amount**	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity Shares :						
Balance as at the beginning of the year	100,000	100.00	100,000	100.00	100,000	100.00
Add: Shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	**100,000**	**100.00**	**100,000**	**100.00**	**100,000**	**100.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Re. 100 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Parent Company

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity Shares of Re. 100 each held by:			
Equity shares [31st March, 2016: 100,000 and 1st April, 2015: 1,00,000 shares] held by Raymond Apparel Limited and its nominees	1,00,000	1,00,000	1,00,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2017		As at 31st March, 2016		As at 1st April, 2015	
	%	No. of shares	%	No. of shares	%	No. of shares
Raymond Apparel Limited and its nominees	**100**	1,00,000	**100**	1,00,000	**100**	1,00,000

Colorplus Fashions Limited
Notes to the financial statements

Note 15 - Other Equity

(Rs. in lakhs)

	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at April 01, 2015	**548.00**	**347.52**	**1,196.53**	**5,468.30**	**7,560.35**
Profit for the year	-	-		(427.44)	(427.44)
Other Comprehensive Income for the year				0.86	0.86
Total Comprehensive Income for the year	-	-	-	**(426.58)**	**(426.58)**
Balance as at March 31, 2016	**548.00**	**347.52**	**1,196.53**	**5041.72**	**7,133.77**
Profit for the year				(1,215.13)	(1,215.13)
Other Comprehensive Income for the year				(1.29)	(1.29)
Total Comprehensive Income for the year	**-**	**-**	**-**	**(1,216.42)**	**(1,216.42)**
Balance as at March 31, 2017	**548.00**	**347.52**	**1,196.53**	**3,825.30**	**5,917.35**

Colorplus Fashions Limited
Notes to the financial statements

Note 16 - Current Borrowings

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A. Secured			
Loans repayable on demand from banks (Working Capital Loan from Banks repayable on demand, secured by hypothecation of stock, book debts and other current assets)	3,512.29	2,647.93	2,209.79
Secured - Total (A)	**3,512.29**	**2,647.93**	**2,209.79**
B. Unsecured			
Acceptances with bank	887.73	1,044.90	1,033.82
Unsecured - Total (B)	**887.73**	**1,044.90**	**1,033.82**
Total (A+B)	**4,400.02**	**3,692.83**	**3,243.61**

Note 17 - Trade payables

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables [Refer Note 33]			
Amounts due to related parties [Refer Note 40]	655.80	65.48	5.87
Others	4,693.95	4,327.18	3,018.42
Total	**5,349.75**	**4,392.66**	**3,024.29**

Refer Note 42 for information about credit risk and market risk of trade receivables.

Note 18 - Other current financial liabilities

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Interest accrued and due on borrowings	4.52	-	-
Book Overdraft	108.81	-	2.06
Salary and Wages payable and other employee benefit expense	93.11	117.22	113.51
Deposits from Dealers, Agents, etc.	17.90	17.90	41.90
Capital creditors	80.30	16.18	57.40
Total	**304.64**	**151.30**	**214.87**

Note 19 - Other current liabilities

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance from customers	12.73	269.79	221.86
Debtors Credit Balances	221.03	94.04	97.08
Statutory dues	134.70	151.21	129.59
Other payables	205.12	205.12	205.12
Total	**573.58**	**720.16**	**653.65**

Note 20 - Short term provisions

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for employee benefits [refer note 39]	47.26	41.53	39.17
Total	**47.26**	**41.53**	**39.17**

Colorplus Fashions Limited
Notes to the financial statements

Note 21 - Revenue from Operations

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Sale of Products		
(i) Manufactured goods	38.93	856.33
(ii) Stock-in trade	26,879.80	25,611.82
Other operating revenue		
Export Incentives, etc	13.46	10.00
Total	**26,932.19**	**26,478.15**

Note 22 - Other income

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Interest income	104.96	40.40
Other non-operating income	6.72	12.22
Total	**111.68**	**52.62**

Note 23 - Cost of materials consumed

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Raw materials consumed		
Opening Stock	87.84	77.63
Purchases	153.11	312.65
Less : Closing Stock	25.11	87.84
Total (A)	**215.84**	**302.44**
Packing materials consumed		
Opening Stock	27.34	16.94
Purchases	169.09	172.57
Less : Closing Stock	20.89	27.34
Total (B)	**175.54**	**162.17**
Total (A+B)	**391.38**	**464.61**

Note 24 - Purchases of Stock-in-Trade

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Purchases of Stock-in-Trade	14,514.18	13,833.28
Total	**14,514.18**	**13,833.28**

Note 25 - Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Opening inventories		
Finished goods	193.54	357.78
Stock-in-trade	7,958.43	7,010.19
	8,151.97	**7,367.97**
Closing inventories		
Finished goods	216.57	193.54
Stock-in-trade	8,886.28	7,958.43
	9,102.85	**8,151.97**
Total	**(950.88)**	**(784.00)**

Note 26 - Manufacturing and Operating Costs

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Job work charges	69.62	75.81
Excise duty	49.24	-
Total	**118.86**	**75.81**

Note 27 - Employee benefits expense

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and wages	1,234.01	1,331.10
Contribution to provident funds and other funds	39.01	37.20
Defined contribution plan expense (Refer note 39)	7.34	7.54
Staff welfare expenses	63.07	55.82
Total	**1,343.43**	**1,431.66**

Note 28 - Finance costs

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Interest expense on short term borrowings	438.14	319.18
Total	**438.14**	**319.18**

Colorplus Fashions Limited
Notes to the financial statements

Note 29 - Depreciation and amortization expense

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation on Property, Plant and Equipment	325.64	419.45
Amortization on Intangible assets	14.64	18.01
Total	**340.28**	**437.46**

Note 30 - Other expenses

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Rent	3,819.99	3,530.53
Insurance	52.29	37.99
Repairs & Maintainence Others	81.56	88.09
Common area maintenance for shops at malls	399.38	367.94
Rates and Taxes	10.53	14.48
Advertisement & Sales promotion expenses	1,861.65	2,125.02
Commission to selling agents	2,829.38	2,276.21
Freight, Octroi, etc	322.48	361.88
Legal and Professional Expenses	128.43	121.90
Information Technology Support Services	71.39	73.87
Payment to auditors (Refer Note A below)	16.27	16.61
Travelling & Conveyance	226.35	226.87
Bad debts, Advances and Deposits written off (Net of provision no longer required Rs. NIL; previous year Rs. 1.69 lakhs)	-	0.44
Provision for doubtful debts	2.85	40.12
Provision for Doubtful Claims and Receivable	60.00	10.61
Provision For Doubtful Deposits, advances and others	-	35.74
Miscellaneous Debit balance not recoverable written off (Net)	-	1.42
Bank Charges	150.20	154.76
Outsourced Support Services	1,615.32	1,418.10
Material Handling expenses	300.98	242.71
Security Charges	57.92	55.97
Electricity Expenses	224.67	241.85
Director Fees	5.75	6.83
Exchange Fluctuation - Others	3.30	7.58
Loss on sale/write off of Fixed Assets /Capital work in progress (Net)	1.67	23.46
Miscellaneous Expenses	367.03	326.60
Total	**12,609.39**	**11,807.58**

A. Payment to Auditors:

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Auditors' remuneration and expenses:		
Statutory Audit fees	12.65	12.60
Fees for other audit related services	3.45	3.70
Reimbursement of out-of-pocket expenses	0.17	0.31
Total	**16.27**	**16.61**

Note 31 - Exceptional Items **(Rs. in lakhs)**

	Year ended March 31, 2017	Year ended 31st Mar 2016
Profit on sale of Property, Chennai	-	409.62
Total	**-**	**409.62**

Colorplus Fashions Limited
Notes to the financial statements

Note 32 - Income Taxes

Tax expense recognised in the Statement of Profit and Loss **(Rs. in lakhs)**

	Year ended 31 March, 2017	Year ended 31 March, 2016
Current tax		
Current year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary difference	(545.78)	(217.75)
Total deferred income tax expense/(credit)	**(545.78)**	**(217.75)**
Total income tax expense/(credit)	**(545.78)**	**(217.75)**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(Rs. in lakhs)

Reconciliation of effective tax rate	Year ended 31 March, 2017	Year ended 31 March, 2016
Profit before tax	(1,760.91)	(645.19)
Enacted income tax rate in India	30.90	30.90
Income Tax expense as per enacted rate	(544.12)	(199.36)
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses		
Differences due to:		
Income exempt from Income taxes	-	(18.17)
Others	(1.66)	(0.22)
Total income tax expense/(credit)	**(545.78)**	**(217.75)**

(Rs. in lakhs)

Movement during the year ended March 31, 2016 and March 31,2017	As at 1st April, 2015	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2017
Deferred tax assets/(liabilities)							
Depreciation	644.45	(10.36)	-	634.09	7.18	-	641.27
Leave Encashment	11.48	1.36	-	12.84	1.77	-	14.61
VRS expense	147.60	(45.90)	-	101.70	(45.90)	-	55.80
Expenses allowable on payment basis	0.63	(0.63)	-	-	-	-	-
Provision For Doubtful Debts	10.96	12.40	-	23.36	0.88	-	24.24
Provision for Doubtful Advances & Deposits	7.54	11.12	-	18.66	-	-	18.66
Provision for Doubtful Claims and other Receivables	-	3.28	-	3.28	18.54	-	21.82
Business Losses & Unabsorbed Depreciation	32.08	245.88	-	277.96	561.63	-	839.59
Fair value gains/losses	6.58	0.60	-	7.18	1.68	-	8.86
DTA on Sales return	63.38	-	-	63.38	-	-	63.38
DTA on Actuarial Gain	-	-	(0.38)	(0.38)	-	0.58	0.20
Total	**924.70**	**217.75**	**(0.38)**	**1,142.07**	**545.78**	**0.58**	**1,688.43**

Note on Deferred tax assets recognition :-

The Company has concluded that the deferred tax will be recoverable using the estimated future taxable income based on the approved business plans including the restructuring with the parent company.

Colorplus Fashions Limited
Notes to the financial statements

Note 33 - Dues to micro and small enterprises:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	143.50	1,228.25	286.13
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, other than under Section 16 of MSMED Act, 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, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-

Note 34 - Assets pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Immovable Assets			
Land	-	-	-
Building	-	-	-
Plant and Machinery	-	-	-
any other assets	-	-	-
Total	**-**	**-**	**-**
Movable Assets			
Furniture fixture	-	-	-
Vehicle	-	-	-
any other assets	-	-	-
Total	**-**	**-**	**-**
Other Assets			
Floating charge			
Inventory	9,164.97	8,267.21	7,462.67
Account receivable	2,322.59	3,028.28	2,468.53
Total	**11,487.56**	**11,295.49**	**9,931.20**
Total Assets pledged as security	**11,487.56**	**11,295.49**	**9,931.20**

Colorplus Fashions Limited
Notes to the financial statements

Note 35 - Contingent liabilities, contingent assets and commitments

i) Contingent Liabilities

(Rs. in lakhs)

	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**
Claims against the Company not acknowledged as debts in respect of :			
-Sales Tax	706.33	839.29	839.29
-Income tax	40.35	40.35	40.35
-Other legal claims *	110.42	110.42	110.42
Total	**857.10**	**990.06**	**990.06**

Note :

Future cash flows in respect of above are determinable only on receipt of judgements/decisions pending with various authorities/forums.

* The Company has made a counter claim of Rs 87.99 lakhs for loss of profit and is confident of getting a favorable award in this regard and hence no provision for the same has been made.

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above matters pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

ii) Contingent assets

The company did not have any contingent assets as at the end of the year.

iii) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Rs. in lakhs)

	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**
Property, plant and equipment	5.99	8.58	11.21
Less: Capital advances	(5.99)	(7.80)	(8.18)
Net Capital commitments	**-**	**0.78**	**3.03**

Note 36 - Lease

(Rs. in lakhs)

	Year ended March 31, 2017	**Year ended March 31, 2016**	**Year ended Mar 31, 2015**
Premises taken on operating lease: The Company has significant operating leases for premises. These lease arrangements range for a period between 3 years and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.			
Lease rentals recognized in the Statement of Profit and Loss for the year is Rs. 3,819.99 lakhs (2015-16 Rs. 3,530.53 lakhs).			
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:			
For a period not later than one year	812.42	865.58	738.47
For a period later than one year and not later than five years	460.37	532.28	394.73
For a period later than five years	-	-	-

Colorplus Fashions Limited
Notes to the financial statements

Note 37 -Earnings per share

(Rs. in lakhs)

	Year ended March 31, 2017	**Year ended March 31, 2016**
Earnings Per Share has been computed as under:		
Loss for the year after tax	(1,215.13)	(427.44)
Weighted average number of equity shares outstanding	1,00,000	1,00,000
Earnings Per Share (Rs.) - Basic & Diluted (Face value of Rs. 10 per share)	(1,215.13)	(427.44)

Note 38 - Operating Segment

The Company's business activity falls within a single primary business segment viz."Readymade Garments and Accessories" the disclosure requirement of IND AS -108 "Operating Segment" is not applicable. Further the Company does not meet the quantitative threshold as mentioned in Ind AS 108 and hence separate disclosure is not required.

Colorplus Fashions Limited
Notes to the financial statements

Note 39 - Post retirement benefit plans

I. Defined contribution plan:

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs.39.01 lakhs (31st March 2016: Rs. 37.20 lakhs).

II. Defined benefit plan:

A. Balance Sheet

(Rs. in lakhs)

	Defined benefit plans		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of plan liabilities	53.67	40.82	34.02
Fair value of plan assets	60.05	40.82	31.99
Plan liability net of plan assets	**(6.38)**	**-**	**2.03**

B. Movements in plan assets and plan liabilities

(Rs. in lakhs)

	Year ended Mar 31, 2017			Year ended Mar 31, 2016		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	40.82	40.82	-	31.99	34.02	2.03
Current service cost	-	8.59	8.59	-	7.39	7.39
Return on plan assets excluding amounts included in net finance income/cost	(0.37)	-	0.37	(0.11)	-	0.11
Interest cost	-	3.29	3.29	-	2.65	2.65
Interest income	4.54	-	(4.54)	2.50	-	(2.50)
Actuarial (gain)/loss arising from changes in financial assumptions	-	2.03	2.03	-	(0.39)	(0.39)
Actuarial (gain)/loss arising from experience adjustments	-	(0.53)	(0.53)	-	(0.96)	(0.96)
Employer contributions	15.58	-	(15.58)	8.33	-	(8.33)
Benefit payments	(0.52)	(0.52)	-	(1.88)	(1.88)	-
As at 31st March	**60.05**	**53.68**	**(6.38)**	**40.83**	**40.83**	**-**

The liabilities are split between different categories of plan participants as follows:
Active members : 95 (2015-16: 107)
The weighted average duration of the defined benefit plans is 5 years (2015-16: 5 Years)
The Company expects to contribute Rs. 2.92 lakhs to the funded plans in financial year 2017-18 (2016-17: Rs. NIL)

C. Statement of Profit and Loss

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Employee Benefit Expenses:		
Current service cost	8.59	7.39
Finance cost/(income)	(1.25)	0.16
Net impact on the Profit / (Loss) before tax	**7.34**	**7.55**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net		
finance income/(cost)	0.37	0.11
assumptions	2.03	(0.39)
benefit plan liabilities	(0.53)	(0.96)
Net impact on the Other Comprehensive Income before tax	**1.87**	**(1.24)**

D. Assets

(Rs. in lakhs)

	Defined benefit plans		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Insurer Managed Fund	60.05	40.82	31.99

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial Assumptions			
Discount rate	7.02%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%
Expected Rate of Return on Assets (per annum)	7.02%	8.05%	7.80%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08)

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	2017			2016		
	Change in assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1%	(1.97)	2.15	1%	(1.50)	1.63
Salary Escalation Rate	1%	2.12	(1.98)	1%	1.62	(1.52)
Employee Turnover Rate	5%	(1.65)	1.91	5%	(1.32)	1.37

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

(Rs. in lakhs)

Year ending 31st March	2017	2016
1st following year	8.73	5.91
2nd following year	8.45	6.79
3rd following year	7.92	6.38
4th following year	7.59	5.89
5th following year	6.59	5.46
Thereafter	20.79	17.27

H Risk exposure:

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

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India. It is subject to interest rate risk. The company intends to maintain the above investments in the continuing years.

Colorplus Fashions Limited
Note 40 - Related Party Disclosure as per Ind AS 24

I. Relationships	Country of Incorporation	Ownership Interest March 31, 2017	March 31, 2016	April 01, 2015
(a) Ultimate Holding Company				
Raymond Limited	India	100%	100%	100%
(b) Holding Company	India	100%	100%	100%
Raymond Apparel Limited				

Other Related Parties with whom transactions have taken place during the year

(c) Fellow Subsidiary Companies :

(i) Silver Spark Apparel Limited	India
(ii) Celebrations Apparel Limited	India
(iii) Raymond Luxury Cottons Limited	India

(d) Joint Ventures of Related Party referred to in (a) above

Raymond Uco Denim Private Limited	India

(e) Related Party which has significant influence on Related Party stated in (a) above

J K Investors (Bombay) Limited	India

(f) Key management personnel

Gautam Hari Singhania (Upto 16th Sept, 2015)	India
R. Narayanan	India
R. A. Prabhudesai	India
Shantilal Pokharna *	India
Bibek Agarwala *	India

* No transactions during the year

II. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. in lakhs)

Nature of Transaction	Related Parties Referred to 1 (a) above	Referred to 1 (b) above	Referred to 1 (c) above	Referred to 1 (d) above	Referred to 1 (e) above	Referred to 1 (f) above
Sales						
Goods and Materials						
Raymond Limited	687.08 (724.96)					
Celebrations Apparel Ltd			17.45 (0.07)			
Raymond Luxury Cottons Limited			10.05 (-)			
Purchases						
Goods and Materials						
Raymond Limited	0.01 (1.92)					
Raymond Apparel Limited		136.27 (-)				
Raymond Luxury Cottons Limited			21.57 (47.04)			
Raymond UCO Denim Pvt. Ltd.				97.60 (60.78)		
Celebrations Apparel Ltd			339.70 (198.39)			
Director Fees						
Gautam Hari Singhania						- (1.13)
R. Narayanan						2.87 (2.85)
R. A. Prabhudesai						2.87 (2.85)
Income						
Reimbursement of Expenses Raymond Limited	- (16.74)					
Loyalty Raymond Limited	28.03 (-)					

(Rs. in lakhs)

Nature of Transaction	Related Parties					
	Referred to 1 (a) above	Referred to 1 (b) above	Referred to 1 (c) above	Referred to 1 (d) above	Referred to 1 (e) above	Referred to 1 (f) above
Expenses						
Rent and other service charges						
Raymond Limited	33.10 (24.68)					
Interest						
Raymond Limited	141.38 (140.60)					
Advertisement						
Raymond Limited	27.48 (-)					
Turnover Incentive						
Raymond Limited	- (16.90)					
Deputation of Staff						
Raymond Limited	- (85.74)					
Raymond Apparel Limited		- (89.54)				
Agency commission						
JK Investors (Bombay) Limited					4.26 (5.26)	
Job work charges						
Celebrations Apparel Limited			39.46 (24.84)			
Reimbursement of Expenses						
Raymond Limited	71.01 (43.17)					
Raymond Apparel Limited		346.20 (364.33)				
Finance						
Loans taken and repaid						
Raymond Limited	6,500.00 (6,500.00)					

III. Balances receivable or payable at the year end:

	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**
Payables			
Raymond Limited	23.34	5.54	-
Raymond Apparel Limited	604.50	-	2.90
Raymond Luxury Cottons Limited	7.47	0.10	0.52
Celebrations Apparel Limited	7.38	57.63	-
Others	13.11	2.21	2.45
Total	**655.80**	**65.48**	**5.87**
Receivables			
Raymond Limited	174.27	195.07	151.36
Raymond Apparel Limited	-	88.24	-
Silver Spark Apparel Limited	-	-	0.05
Total	**174.27**	**283.31**	**151.41**

Colorplus Fashions Limited

Note 41 - Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans	-	1.80	1.80	-	-	-	-	-	-	-	-	-	-	1.80	1.80	1.80
Other Financial Assets																
- Security Deposits	1,281.34	89.49	1,370.82	-	-	-	-	-	-	-	-	-	-	1,370.82	1,370.82	1,370.82
- Others	-	47.82	47.82	-	-	-	-	-	-	-	-	-	-	47.82	47.82	47.82
Trade receivable	-	2,322.59	2,322.59	-	-	-	-	-	-	-	-	-	-	2,322.59	2,322.59	2,322.59
Cash and Cash equivalents	-	46.51	46.51	-	-	-	-	-	-	-	-	-	-	46.51	46.51	46.51
	1,281.34	**2,508.21**	**3,789.54**	-	-	-	-	-	-	-	-	-	-	**3,789.54**	**3,789.54**	**3,789.54**
Financial Liabilities																
Borrowings	-	4,400.02	4,400.02	-	-	-	-	-	-	-	-	-	-	4,400.02	4,400.02	4,400.02
Other Financial Liabilities	-	304.64	304.64	-	-	-	-	-	-	-	-	-	-	304.64	304.64	304.64
Trade Payables	-	5,349.75	5,349.75	-	-	-	-	-	-	-	-	-	-	5,349.75	5,349.75	5,349.75
	-	**10,054.41**	**10,054.41**	-	-	-	-	-	-	-	-	-	-	**10,054.41**	**10,054.41**	**10,054.41**

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets																
Loans	-	0.67	0.67	-	-	-	-	-	-	-	-	-	-	0.67	0.67	0.67
Other Financial Assets																
- Security Deposits	1,213.36	66.54	1,279.90	-	-	-	-	-	-	-	-	-	-	1,279.90	1,279.90	1,279.90
- Others	-	20.22	20.22	-	-	-	-	-	-	-	-	-	-	20.22	20.22	20.22
Trade receivable	-	3,028.28	3,028.28	-	-	-	-	-	-	-	-	-	-	3,028.28	3,028.28	3,028.28
Cash and Cash equivalents	-	68.08	68.08	-	-	-	-	-	-	-	-	-	-	68.08	68.08	68.08
	1,213.36	**3,183.79**	**4,397.15**	-	-	-	-	-	-	-	-	-	-	**4,397.15**	**4,397.15**	**4,397.15**
Financial Liabilities																
Borrowings	-	3,692.83	3,692.83	-	-	-	-	-	-	-	-	-	-	3,692.83	3,692.83	3,692.83
Other Financial Liabilities	-	151.30	151.30	-	-	-	-	-	-	-	-	-	-	151.30	151.30	151.30
Trade Payables	-	4,392.66	4,392.66	-	-	-	-	-	-	-	-	-	-	4,392.66	4,392.66	4,392.66
	-	**8,236.79**	**8,236.79**	-	-	-	-	-	-	-	-	-	-	**8,236.79**	**8,236.79**	**8,236.79**

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<u>Financial Assets</u>																
Investment																
- Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets																
Loans	8.15	5.37	13.52	-	-	-	-	-	-	-	-	-	-	13.52	13.52	13.52
<u>Other Financial Assets</u>																
- Security Deposits	1,192.81	18.45	1,211.26	-	-	-	-	-	-	-	-	-	-	1,211.26	1,211.26	1,211.26
- Others	-	15.18	15.18	-	-	-	-	-	-	-	-	-	-	15.18	15.18	15.18
Trade receivable	-	2,468.53	2,468.53	-	-	-	-	-	-	-	-	-	-	2,468.53	2,468.53	2,468.53
Cash and Cash equivalents	-	50.80	50.80	-	-	-	-	-	-	-	-	-	-	50.80	50.80	50.80
	1,200.96	**2,558.33**	**3,759.29**	-	-	-	-	-	-	-	-	-	-	**3,759.29**	**3,759.29**	**3,759.29**
<u>Financial Liabilities</u>																
Borrowings	-	3,243.61	3,243.61	-	-	-	-	-	-	-	-	-	-	3,243.61	3,243.61	3,243.61
Other Financial Liabilities	-	214.87	214.87	-	-	-	-	-	-	-	-	-	-	214.87	214.87	214.87
Trade Payables	-	3,024.29	3,024.29	-	-	-	-	-	-	-	-	-	-	3,024.29	3,024.29	3,024.29
	-	**6,482.77**	**6,482.77**	-	-	-	-	-	-	-	-	-	-	**6,482.77**	**6,482.77**	**6,482.77**

Fair values of financial assets and liabilities carried at amortised cost:

(Rs. in lakhs)

	As at 31st March'17		As at 31st March'16		As at 1st April'15	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
<u>Financial Assets</u>						
Investments						
- Equity instruments						
Other Assets						
Loans	1.80	1.80	0.67	0.67	13.52	13.52
<u>Other Financial Assets</u>						
- Security Deposits	1,370.82	1,407.87	1,279.90	1,312.17	1,211.26	1,241.58
- Others	47.82	47.82	20.22	20.22	15.18	15.18
Trade receivable	2,322.59	2,322.59	3,028.28	3,028.28	2,468.53	2,468.53
Cash and Cash equivalents	46.51	46.51	68.08	68.08	50.80	50.80
	3,789.54	**3,826.59**	**4,397.15**	**4,429.42**	**3,759.29**	**3,789.61**
<u>Financial Liabilities</u>						
Borrowings	4,400.02	4,400.02	3,692.83	3,692.83	3,243.61	3,243.61
Other Financial Liabilities	304.64	304.64	151.30	151.30	214.87	214.87
Trade Payables	5,349.75	5,349.75	4,392.66	4,392.66	3,024.29	3,024.29
	10,054.41	**10,054.41**	**8,236.79**	**8,236.79**	**6,482.77**	**6,482.77**

Colorplus Fashions Limited
Notes to the financial statements

Note 42 - Financial Risk Management

Financial risk management objectives and policies

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Companys financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs. in lakhs)

Particulars	As at 31st March'17	As at 31st March'16	As at 1st April'15
Borrowings bearing variable rate of interest	4,400.02	3,692.83	3,243.61

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
50 bps increase would decrease the profit before tax by	(22.00)	(18.46)
50 bps decrease would increase the profit before tax by	22.00	18.46

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2017 **(FC In lakhs)**

Particulars	USD	EURO
Trade Receivable	1.33	-

As at 31st March 2016

Particulars	USD	EURO
Trade Receivable	1.55	0.01
Trade payables	0.06	-

As at 1st April 2015

Particulars	USD	EURO
Trade Receivable	0.94	0.02
Trade payables	0.03	-

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2016-2017		2015-2016		2014-2015	
	1% Increase	1% decrease	1% Increase	1% decrease	1% Increase	1% decrease

USD	0.86	(0.86)	0.99	(0.99)	0.57	(0.57)
EURO	(0.00)	0.00	0.01	(0.01)	0.01	(0.01)
Increase / (decrease) in profit or loss	**0.86**	**(0.86)**	**1.00**	**(1.00)**	**0.58**	**(0.58)**

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

(Rs. in lakhs)

	As at 31st March'17	As at 31st March'16	As at 1st April'15
Not due	1,586.28	1,696.50	1,429.80
0-3 months	535.85	1,059.75	824.65
3-6 months	200.46	252.04	154.22
6 months to 12 months	-	19.72	42.08
beyond 12 months	-	0.27	17.78
Total	**2,322.59**	**3,028.28**	**2,468.53**

Movement in provisons of doubtful debts

(Rs. in lakhs)

	As at 31st March'17	As at 31st March'16
Opening provision	75.58	35.46
Add:- Additional provision made	30.95	53.70
Less:- Provision write off/ reversed	(28.11)	(13.58)
Closing provisions	**78.43**	**75.58**

There are no bad debts as per industry practice, as the agents are responsible for collection.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs. in lakhs)

	As at 31st March'17				As at 31st March'16				As at 31st March'15			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	-	-	-	-	-	-	-	-	-	-	-	-
Short term borrowings	4,400.02	-	-	4,400.02	3,692.83	-	-	3,692.83	3,243.61	-	-	3,243.61
Total	**4,400.02**	**-**	**-**	**4,400.02**	**3,692.83**	**-**	**-**	**3,692.83**	**3,243.61**	**-**	**-**	**3,243.61**

Maturity patterns of other Financial Liabilities

As at 31st March'17

(Rs. in lakhs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	2253.88	3095.87	-	-	-	5349.75
Payable related to Capital goods	80.30	-	-	-	-	80.30

Other Financial liability (Current and Non Current)	224.34	-	-	-	-	224.34
Total	**2558.52**	**3095.87**	**-**	**-**	**-**	**5654.39**

As at 31st March'16

(Rs. in lakhs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	783.75	3608.91	-	-	-	4392.66
Payable related to Capital goods	16.18	-	-	-	-	16.18
Other Financial liability (Current and Non Current)	135.12	-	-	-	-	135.12
Total	**935.05**	**3608.91**	**-**	**-**	**-**	**4543.96**

As at 1st April'15

(Rs. in lakhs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	919.83	2100.57	3.89	-	-	3024.29
Payable related to Capital goods	57.40	-	-	-	-	57.40
Other Financial liability (Current and Non Current)	157.47	-	-	-	-	157.47
Total	**1134.70**	**2100.57**	**3.89**	**-**	**-**	**3239.16**

Colorplus Fashions Limited
Notes to the financial statements

Note 43 - First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions

(a) Deemed Cost

The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and eqquipments and Intangible assets as deemed cost as at

(b) Designation of previously recognised financial instruments

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

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
II. A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Statement of total Comprehensive Income for the year ended March 31, 2016
III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016
IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2015

	Note	Regrouped Previous GAAP *	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		989.42	-	989.42
Capital work-in-progress		19.58	-	19.58
Intangible assets		49.47	-	49.47
Financial Assets				
Loans		8.15	-	8.15
Other financial assets	b.	1,517.97	(325.16)	1,192.81
Deferred tax assets (Net)	a,b,e	-	924.70	924.70
Current Tax Assets (Net)		607.54	-	607.54
Other non-current assets	b	191.68	222.33	414.01
Current assets				
Inventories		7,462.67	-	7,462.67
Financial Assets		-		
Trade receivables		2,468.53	-	2,468.53
Cash and cash equivalents		50.80	-	50.80
Loans		5.37	-	5.37
Other financial assets		33.63	-	33.63
Other current assets	b.	311.55	81.53	393.08
Non-current assets classified as held for sale		216.18	-	216.18
TOTAL		13,932.54	903.40	14,835.94
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		100.00	-	100.00
Other Equity	b	6,862.07	698.28	7,560.35
Current liabilities				
Financial Liabilities				
Short Term Borrowings	f	2,209.79	1,033.82	3,243.61
Trade payables	f	4,058.11	(1,033.82)	3,024.29
Other financial liabilities		214.87	-	214.87
Other current liabilities	a	448.53	205.12	653.65
Provisions		39.17	-	39.17
TOTAL		13,932.54	903.40	14,835.94

* As per Para (10) of Ind AS 101 requires an entity reclassify items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs. Accordingly, assets and liabilities which are different types of assets

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Note	Regrouped Previous GAAP *	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		844.96	-	844.96
Capital work-in-progress		-	-	-
Intangible assets		34.26	-	34.26
Financial Assets				
Loans		0.00	-	-
Other financial assets	b	1,559.62	(346.26)	1,213.36
Deferred tax assets (Net)	a,b,c	-	1,142.07	1,142.07
Current Tax Assets (Net)		619.23	-	619.23
Other non-current assets	b	229.22	239.82	469.04
Current assets				
Inventories		8,267.21	-	8,267.21
Financial Assets				
Trade receivables		3,028.28	-	3,028.28
Cash and cash equivalents		68.08	-	68.08
Loans		0.67	-	0.67
Other financial assets		86.76	-	86.76
Other current assets	b	375.14	83.19	458.33
TOTAL		**15,113.43**	**1,118.82**	**16,232.25**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		100.00	-	100.00
Other Equity	b,c	6,220.07	913.70	7,133.77
LIABILITIES				
Current liabilities				
Financial Liabilities				
Short Term Borrowings		2,647.93	1,044.90	3,692.83
Trade payables		5,437.56	(1,044.90)	4,392.66
Other financial liabilities		151.30	-	151.30
Other current liabilities	a	515.04	205.12	720.16
Short term provisions		41.53	-	41.53
TOTAL		**15,113.43**	**1,118.82**	**16,232.25**

II B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Previous GAAP *	Ind AS adjustments	Ind AS
Revenue from Operations		26,478.15	-	26,478.15
Other Income		36.15	16.47	52.62
Total		**26,514.30**	**16.47**	**26,530.77**
Expenses				
Cost of materials consumed		464.61	-	464.61
Purchases of Stock-in-Trade		13,833.28	-	13,833.28
Changes in inventories of finished goods, Stock-in-Trade and work-in progress		(784.00)	-	(784.00)
Manufacturing and Operating Costs		75.81	-	75.81
Employee benefits expense	c	1,430.42	1.24	1,431.66
Finance costs		319.18	-	319.18
Depreciation and amortization expense		437.46	-	437.46
Other expenses	a,b	11,789.16	18.42	11,807.58
Total		**27,565.92**	**19.66**	**27,585.58**
Profit before exceptional items and tax		**(1,051.62)**	**(3.19)**	**(1,054.81)**
Exceptional Items		409.62	-	409.62
Profit before tax		**(642.00)**	**(3.19)**	**(645.19)**
Tax expense				
Current tax		-	-	-
Deferred tax (net)	b,e	-	(217.75)	(217.75)
Profit for the year (A)		**(642.00)**	**214.56**	**(427.44)**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans	c	-	1.24	1.24
Income tax relating to items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans	c	-	(0.38)	(0.38)
Other Comprehensive Income for the year (B)		-	**0.86**	**0.86**
Total Comprehensive Income for the year (A+B)		**(642.00)**	**215.42**	**(426.58)**
Equity holder of parent		**(642.00)**	**215.42**	**(426.58)**

III A **Reconciliation of Equity**

	Note	As at 31st March,2016	As at 1st April,2015
Total equity under local GAAP		6,320.07	6,962.07
Adjustments impact: Gain/ (Loss)			
Opening adjustments		698.28	-
Fair valuation of interest free loan and deposits given	b	(1.96)	(21.29)
Deferred tax assets created on above	b	0.60	6.58
Deferred tax assets created based on reasonable certainty	e	217.16	854.73
Provision for Sales return (net of deferred tax)	a	-	(141.74)
Deferred tax liability created on Actuarial Gain	d	(0.38)	-
Total IND AS adjustment		**913.70**	**698.28**
Total equity under Ind AS		**7,233.77**	**7,660.35**

III B **Reconciliation of Income Statement**

	Note	For the period ended 31st March'2016
Profit after tax under local GAAP		(642.00)
Adjustments Gain/ (Loss)		
Interest Income on fair valuation of sec deposits	b	16.47
Rent expense: Prepaid Rent due to fair value of interest free security deposit amortized	b	(18.42)
Actuarial gain loss classified to OCI	c	(1.24)
Total IND AS Impact		(3.19)
Total profit under Ind AS		**(645.19)**

III C **Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016**

	Note	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flow from operating activities	f	(212.74)	(3.18)	(215.92)
Net cash flow from investing activities		111.07	(7.91)	103.16
Net cash flow from financing activities	f	118.95	11.09	130.04
Net increase/(decrease) in cash and cash equivalents		17.28	-	17.28
Cash and cash equivalents as at 1 April 2015		50.80		50.80
Effects of exchange rate changes on cash and cash equivalents				
Cash and cash equivalents as at 31 March 2016		68.08		68.08

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to Ind AS:

a. **Other Liabilities**

As per para 17 of Ind AS 18 - Revenue recognition, provision has been made for estimated sales returns of Rs. Nil as at March 31, 2016 (April 01, 2015: Rs. 205.12 lakhs) and consequent impact to retained earnings as at transition date and profit and loss for the period of 2015-16.

b. **Security deposits**

Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between fair value of security deposits has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by Rs 346.26 lakhs as at March 31, 2016 (April 01, 2015: Rs 325.16 Rs. lakhs). The prepaid rent increased of Rs. 323.01 lakhs as at March 31, 2016 (April 01, 2015: Rs 303.86 lakhs). Total equity decreased by Rs. 21.29 lakhs as at April 01, 2015. The profit for the year and total equity as at March 31, 2016 decreased by Rs. 1.95 lakhs due to amortisation of the prepaid rent of Rs 18.42 lakhs which is partially off-set by the notional interest income of Rs. 16.47 lakhs recognised on security deposits.

c. **Remeasurements of post employment benefit obligation**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 has decreased by Rs.1.24 lakhs. There is no impact on the total equity as at March 31, 2016.

d. **Excise Duty**

Under the previous GAAP revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented under manufacturing and operating costs in the statement of profit and loss.
This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016 by Rs. NIL. There is no impact on the total equity and profit.

e. **Deferred tax**

Under the previous GAAP, deferred tax assets unabsorbed depreciation or carry forward of losses under tax laws, were recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, whereas under IndAS, deferred tax asset on these items can be recognised when there is sufficient taxable temporary differences or there is convincing other evidence. Accordingly, the Company has recognised deferred tax asset aggregating Rs. 32.09 lakhs as at 1st April 2015 and Rs. 277.97 lakhs as at 31st March 2016 on such items.

f. **Trade Payables**

Under previous GAAP, acceptances was classified under trade payables. Wheras as per Ind AS of acceptances Rs. 1044.90 lakhs as on 31st March 2016 (1st April 2015: Rs. 1033.82 lakhs) it has been classified under unsecured borrowings

Colorplus Fashions Limited
Notes to the financial statements

Note 44 - Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 45 - Specified Bank Notes

(Rs. in lakhs)

Particulars	**Specified Bank Notes * (SBNs)**	**Other Denomination Notes**	**Total**
Closing Cash Balance as on November 8, 2016	14.63	59.49	74.11
(+) Permitted receipts	-	-	-
(+) Permitted payments	-	-	-
(-) Amount deposited in Banks	14.63	-	-
Closing Cash in Hand as on December 30, 2016	-	-	-

* Specified Bank Notes (SBNs) is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.
The disclosures with respect to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on December 30, 2016' is understood to be applicable in case of SBNs only.

Note 46 - Scheme of Arrangement

During the year, under the Scheme of Arrangement, Colorplus Fashions Limited (CP) and Raymond Apparel Limited (RAL) along with their respective shareholders approved the demerger of "Demerged Undertaking" which is including but not limited to the entire business of the CP, relating to Readymade Garment and Accessories Undertaking along with all related assets, liabilities, employees, into RAL. The Scheme, as approved by the National Company Law Tribunal, shall be effective from the appointed date which is April 1, 2016.

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 27, 2017

For and on behalf of the Board of Directors

sd/-

Shantilal Pokharna
Director
DIN : 01289850

sd/-

Bibek Agarwala
Director
DIN : 07267564

Place: Mumbai
Date: April 27, 2017

EVERBLUE APPAREL LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI S. K. GUPTA SHRI PRASAD THAKUR SHRI R. A. PRABHUDESAI SHRI R. NARAYANAN
MANAGER	:	SHRI PRASAD THAKUR
CHIEF FINANCIAL OFFICER	:	SHRI NARAYANA REDDY
COMPANY SECRETARY	:	KUM. ARUNA SUBRAMANIAN
STATUTORY AUDITORS	:	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

EVERBLUE APPAREL LIMITED
(CIN: U72900MH2000PLC124912)
DIRECTORS' REPORT

To,
The Members of EVERBLUE APPAREL LIMITED

Your Directors are pleased to present the Seventeenth Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2017.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

During the year under review the Gross turnover of the Company was Rs. 67.25 crore (Previous year: Rs. 55.41 crore). The Company earned a Profit after Tax of Rs.0.75 crore (Previous Year: Rs. 0.44 crore). The Company has a state-of-the art denim-wear facility offering complete denim solutions.

2. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the Financial Year and the date of this Report.

3. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2016-17.

4. RESERVES

Your company has not transferred any amount to the reserves of the Company.

5. AUDITORS

As per the provisions of Section 139 of the Companies Act 2013, the term of office of Messrs Dalal & Shah LLP, Chartered Accountants, as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by Messrs Dalal & Shah LLP as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of Messrs Walker Chandiok & Co LLP, Chartered Accountants (ICAI Firm Registration Number 001076N/N500013) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

7. SHARE CAPITAL

The paid up Share Capital as on March 31, 2017 was Rs. 15 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors or Key Managerial Personnel of the Company hold shares or convertible instruments of the Company.

8. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not sanctioned any loan, guarantee or investment falling within the purview of Section 186 of the Companies Act, 2013.

10. DIRECTORS & KEY MANAGERIAL PERSONNEL

I) Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri S. K. Gupta, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. During the year, four Board Meetings were held viz. April 25, 2016, July 19, 2016, October 24, 2016, January 23, 2017.

Details of Attendance of Directors at Board Meetings:

Sr. No.	Name of Director	DATE OF BOARD MEETING			
		25.04.2016	19.07.2016	24.10.2016	23.01.2017
1	Shri S. K. Gupta	✓	✓	✓	✓
2	Shri Prasad Thakur	✓	✓	✓	✓
3	Shri R. A. Prabhudesai	✓	✓	✓	✓
4	Shri R. Narayanan	✓	✓	✓	✓

II) Key Managerial Personnel (KMP)

Shri Gaurav Sainani resigned as the Company Secretary of the Company with effect from December 31, 2016. The Board places on record its appreciation for the services rendered by him during his tenure as Company Secretary.

Kum. Aruna Subramanian was appointed as Company Secretary of the Company.

As on March 31, 2017, the Company has the following Key Managerial Personnel:-

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Narayana Reddy	Chief Financial Officer	25/04/2014
2	Shri Prasad Thakur	Manager	26/10/2015
3	Kum. Aruna Subramanian	Company Secretary	23/01/2017

III) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

11. COMMITTEES OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the composition of the Audit Committee, as on March 31, 2017, is as under:

1. Shri R. A Prabhudesai : Independent Director, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri Prasad Thakur : Non-executive Director, Member

The terms of reference of the Committee are determined by the Board and their relevance reviewed from time to time.

During the year, four Audit Committee Meetings were held viz. April 25, 2016, July 19 2016, October 24, 2016 and January 23, 2017.

Details of Attendance of Members at Audit Committee Meetings:

Sr. No.	Name of Director	DATE OF MEETING			
		25.04.2016	19.07.2016	24.10.2016	23.01.2017
1	Shri R. A. Prabhudesai	✓	✓	✓	✓
2	Shri R. Narayanan	✓	✓	✓	✓
3	Shri Prasad Thakur	✓	✓	✓	✓

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the composition of the Nomination and Remuneration Committee (NRC), as on March 31, 2017, is as under:

a. Shri R. A. Prabhudesai : Independent Director, Chairman
b. Shri R. Narayanan : Independent Director, Member
c. Shri S. K. Gupta : Non-executive Director, Member

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The terms of reference of Nomination and Remuneration Committee are as under:

1. to help in determining the appropriate size, diversity and composition of the Board;
2. to recommend to the Board appointment/re-appointment and removal of Directors;
3. to frame criteria for determining qualifications, positive attributes and independence of Directors;
4. to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
5. to create an evaluation framework for Independent Directors and the Board;
6. to assist the Board in fulfilling responsibilities entrusted from time-to-time; and
7. delegation of any of its powers to any Member of the Committee.

During the year, one NRC Meeting was held on January 23, 2017 which was attended by all the Members.

Details of Attendance of Members at NRC Meeting:

Sr. No.	Name of Director	DATE OF MEETING
		23.01.2017
1	Shri S. K. Gupta	✓
2	Shri R. A. Prabhudesai	✓
3	Shri R. Narayanan	✓

12. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

13. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure A"** to this Report.

16. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **"Annexure B"** to this Report.

17. PARTICULARS OF EMPLOYEES

Since your Company is not a listed Company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

18. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. No Complaints have been received during the year under the review.

19. ACKNOWLEDGEMENT

Your Directors express their warm appreciation to all its employees for their diligence and contribution. The Board records its grateful appreciation for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities, Customers, and Suppliers.

For and on behalf of the Board of
EVERBLUE APPAREL LIMITED

sd/- sd/-

Surya Kant Gupta
Director
DIN: 00323759

Prasad Thakur
Director
DIN: 07278555

Mumbai
April 26, 2017

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.)

(A) Conservation of energy-

The operations of your Company are not energy intensive. Your Company takes various measures to reduce energy consumption by using energy efficient systems, machines and procuring energy efficient equipments.

(B) Technology absorption-

The Company has strengthened its in-house product development facility which will lead to introduction of garments with varied finishes and styles. Product innovation and customer satisfaction has been an integral part of the unit. The Company has not invested funds in Research and development.

(C) Foreign exchange earnings and Outgo –

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(i) Earnings: Nil
(ii) Outgo: Rs. Nil

ANNEXURE B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2017
(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U72900MH2000PLC124912
2.	Registration Date	March 14, 2000
3.	Name of the Company	Everblue Apparel Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non- government Company
5.	Address of the Registered office & contact details	New Hind House Narottam Morarjee, Ballard Estate, Mumbai- 400001, Maharashtra Ph no.:022 – 22686000
6.	Whether listed company	Unlisted Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Denim Garments	14101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1.	**Raymond Limited with its Nominees** Plot No. 156/H. No.2, Village Zadgaon, Ratnagiri 415 612, Maharashtra	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)

IV. A) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2016]				No. of Shares held at the end of the year [As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	5000000	5000000	100	-	5000000	5000000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1) :-	-	5000000	5000000	100	-	5000000	5000000	100	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	**5000000**	**5000000**	**100**	-	**5000000**	**5000000**	**100**	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total B:-	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	**5000000**	**5000000**	**100**	-	**5000000**	**5000000**	**100**	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Raymond Limited with its nominees	5000000	100	-	5000000	100	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change during the year.

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Since the entire share capital is held by Raymond Limited and its nominees, this is not applicable.

E) Shareholding of Directors and Key Managerial Personnel:

None of the Directors and/or Key Managerial Personnel holds shares in the Company.

V) **INDEBTEDNESS – Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(Rs. in lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	82.34	1845.00		**1927.34**
ii) Interest due but not paid				
iii) Interest accrued but not due	0.98	251.13		**252.11**
Total (i+ii+iii)	**83.32**	**2096.13**		**2179.45**
Change in Indebtedness during the financial year				
* Addition				
* Reduction	46.47			46.47
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	35.59	1845.00		**1880.59**
ii) Interest due but not paid				
iii) Interest accrued but not due	0.43	174.78		**175.21**
Total (i+ii+iii)	**36.02**	**2019.78**		**2055.80**

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

The Company does not have any Managing Director or Whole-time Director and Manager did not receive remuneration from the Company.

B. **Remuneration to other directors**

None of the Independent Directors or Non- Executive Directors receives remuneration from the Company.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total (Rs. In Lac)
			Shri Gaurav Sainani (Resigned on 31.12.2016) Kum. Aruna Subramanian (Appointed on 23.01.2017)	Shri Narayana Reddy	
1	Gross salary	-	-		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	21.39	21.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-		
2	Stock Option	-	-		
3	Sweat Equity	-	-		
4	Commission	-	-		
	- as % of profit	-	-		
	others, specify…	-	-		
5	Others, please specify	-	-		
	Total	-	-	**21.39**	**21.39**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVERBLUE APPAREL LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Everblue Apparel Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 25, 2016 and April 24, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(i) The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 31.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W / W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 26, 2017

Annexure A to Independent Auditors' Report
Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Everblue Apparel Limited on the Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Everblue Apparel Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,

accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W / W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 26, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Everblue Apparel Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 2 to the Ind AS financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Clause 3(xi) of the order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W / W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 26, 2017

EVERBLUE APPAREL LIMITED

Balance Sheet as at 31st March, 2017

(Rs in lakhs)

		Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	ASSETS				
1	Non-current assets				
	(a) Property, plant and equipment	2	3,259.58	3,473.02	3,014.08
	(b) Capital work - in - progress		156.07	-	40.42
	(c) Intangible assets	3	4.80	9.00	-
	(d) Financial assets	4	45.93	45.93	45.93
	(e) Deferred tax assets (net)	27	168.83	190.68	183.60
	(f) Current tax asset (net)		108.85	184.01	86.01
	(g) Other non - current assets	5	10.01	32.05	3.96
2	Current assets				
	(a) Inventories	6	320.46	314.20	245.97
	(b) Financial assets				
	(i) Trade receivables	7	272.78	-	285.44
	(ii) Cash and cash equivalents	8	17.78	49.28	9.55
	(c) Other current assets	9	36.01	37.32	28.57
	TOTAL ASSETS		4,401.10	4,335.49	3,943.53
II	EQUITY AND LIABILITIES				
1	Equity				
	a) Equity share capital	10	500.00	500.00	500.00
	b) Preference share capital	11	1,000.00	1,000.00	-
	c) Other equity				
	(i) Equity component of other financial instruments		-	-	187.74
	(ii) Retained earnings		(566.65)	(602.81)	(1,326.74)
2	Liabilities				
	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	12	1,687.50	1,710.59	3,215.26
	(b) Other non current liabilities	13	201.44	254.98	272.04
	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	14	170.00	170.00	170.00
	(ii) Trade payables	15	354.42	236.66	154.01
	(iii) Other financial liabilities	16	783.57	723.58	585.64
	(b) Provisions	17	220.52	121.51	150.99
	(c) Other current liabilities	18	50.30	220.98	34.59
	TOTAL EQUITY AND LIABILITIES		4,401.10	4,335.49	3,943.53
	GENERAL INFORMATION & SIGNIFICANT ACCOUNTING POLICIES	1			

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-
Vipin R. Bansal
Partner
Membership No.: 117753
Mumbai, 26th April, 2017

For and on behalf of Board of Directors

sd/-
PRASAD THAKUR
Manager and Director
DIN: 07278555

sd/-
S K GUPTA
Director
DIN: 00323759

sd/-
NARAYANA REDDY
Chief Financial Officer

sd/-
ARUNA SUBRAMANIAN
Company Secretary

Mumbai 26th April, 2017

Statement of Profit and Loss for the year ended 31st March, 2017

(Rs in lakhs)

		Note	Year ended 31st March, 2017	Year ended 31st March, 2016
	CONTINUING OPERATIONS			
I	**INCOME**			
	Revenue from operations	19	6,725.25	5,540.68
	Other income	20	278.27	39.10
	Total income		**7,003.52**	**5,579.78**
II	**Expenses**			
	Manufacturing and operating costs	21	1,035.29	641.42
	Increase in accumulated costs on conversion contract	22	(5.89)	(69.27)
	Employee benefits expense	23	5,095.05	4,238.35
	Finance costs	24	201.09	211.84
	Depreciation and amortization expense	25	272.35	249.98
	Other expenses	26	330.15	263.41
	Total expenses		**6,928.04**	**5,535.73**
III	**Profit / (loss) before tax**		**75.48**	**44.05**
IV	**Tax expense**			
	Current tax	27	20.75	3.19
	Deferred tax charge	27	21.85	26.72
	Tax charge in respect of earlier years		0.41	-
V	**Profit for the year from continuing operations**		**32.47**	**14.14**
VI	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	32	5.34	43.90
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	27	(1.65)	(13.57)
	Total other Comprehensive Income for the year		**3.69**	**30.33**
VII	**Total Comprehensive Income for the year**		**36.16**	**44.47**
VIII	**Earnings per equity share of Rs. 10 each (for continuing operation):**	28		
	Basic earnings per share (Rs.)		0.65	0.28
	Diluted earnings per share (Rs.)		0.22	0.09

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For and on behalf of Board of Directors

sd/- sd/-

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

PRASAD THAKUR
Manager and Director
DIN: 07278555

S K GUPTA
Director
DIN: 00323759

sd/- sd/-

Vipin R. Bansal
Partner
Membership No.: 117753
Mumbai, 26th April, 2017

NARAYANA REDDY
Chief Financial Officer

ARUNA SUBRAMANIAN
Company Secretary

Mumbai, 26th April, 2017

EVERBLUE APPAREL LIMITED

Statement of Cash Flows

	Year ended 31st March, 2017	Year ended 31st March, 2016
		(Rs in lakhs)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items & tax from continuing operations	75.48	44.06
Adjustments for:		
Loss of fixed assets Due to Fire [Refer note 2]	-	176.67
Less: Recipts against losses on account of fire [Refer note 2]	(227.66)	(210.68)
	(227.66)	(34.01)
Remeasurements of net defined benefit plans	5.34	43.90
Depreciation and amortization expenses	272.35	249.98
Government grant amortised [Refer note 16]	(35.30)	(35.30)
Finance cost	201.09	211.84
Interest income	(12.92)	(3.71)
	202.90	432.70
	278.38	**476.76**
Operating profit before working capital changes		
Adjustments for:		
(Increase)/decrease in trade & other receivables	(279.28)	459.47
(Increase)/decrease in inventories	(6.26)	(68.23)
Increase/(decrease) in trade & other payables	48.13	140.48
Increase / decrease in provisions	99.01	(29.48)
	(138.40)	502.24
Cash (used in) / generated from operations	139.98	979.00
Direct taxes paid (net of refunds)	52.35	(114.76)
	192.33	**864.24**
CASH FLOW FROM INVESTING ACTIVITIES:		
Add: Inflows from investing activities		
Proceeds of property, plant and equipment	227.66	210.68
Interest received	12.92	3.71
	240.58	214.39
Less: outflows from investing activities		
Purchase of property, plant and equipment/ intangible assets	148.42	853.32
	148.42	853.32
Net cash (used in) / generated from investing activities	**92.16**	**-638.93**
CASH FLOW FROM FINANCING ACTIVITIES:		
Outflows from financing activities		
Repayment of long term borrowings	(46.75)	(46.75)
Interest paid	(269.24)	(138.83)
Cash (used in) / generated from financing activities	**(315.99)**	**(185.58)**
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	**(31.50)**	**39.73**
Cash and cash equivalents at beginning of the year	49.28	9.55
Cash and cash equivalents at end of the year	17.78	49.28

EVERBLUE APPAREL LIMITED

Statement of Cash Flows

The accompanying notes are an integral part of these financial statements

Note:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

2 Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

As per our report of even date

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership No.: 117753
Mumbai, 26th April, 2017

For and on behalf of Board of Directors

PRASAD THAKUR
Director
DIN: 07278555

sd/-

S K GUPTA
Director
DIN: 00323759

sd/-

NARAYANA REDDY
Chief Financial Officer

ARUNA SUBRAMANIAN
Company Secretary

Mumbai, 26th April, 2017

EVERBLUE APPAREL LIMITED

Statement of Changes in Equity for the year ended 31st March, 2017

A. Equity Share Capital (Rs in lakhs)

Particulars	Amount
As at 1st April, 2015	500.00
As at 31st March, 2016	500.00
As at 31st March, 2017	500.00

B. Compulsorily Convertible Preference Shares (Rs in lakhs)

Particulars	Amount
As at 1st April, 2015	-
As at 31st March, 2016	1,000.00
As at 31st March, 2017	1,000.00

C. Other Equity

(Rs in lakhs)

	Retained Earnings	Equity Element of Preference Shares	Total
Balance as at 1st April, 2015	**(1,326.74)**	**187.74**	**(1,139.00)**
Equity Element of Financial Liablitity	187.74	(187.74)	-
Impact of conversion of financial liability in to equity (Refer Note below)	457.92		**457.92**
Reversal of deferred tax liability consequent to change in terms of financial instrument	33.80		**33.80**
Profit for the year ended March 31, 2016	14.14		**14.14**
OCI for March 31, 2016 2016	30.33		**30.33**
Balance as at 31st March, 2016	**(602.81)**	-	**(602.81)**
Profit for the year ended March 31, 2017	32.47		**32.47**
OCI for March 31, 2016 2017	3.69		**3.69**
Balance as at 31st March, 2017	**(566.65)**	-	**(566.65)**

Note: Represents equity element of the preference share referred to in Note 12 net of deferred tax thereon.

As per our report of even date

For and on behalf of Board of Directors

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

PRASAD THAKUR
Director
DIN: 07278555

S K GUPTA
Manager and Director
DIN: 00323759

sd/-
Vipin R. Bansal
Partner
Membership No.: 117753
Mumbai, 26th April, 2017

sd/-
NARAYANA REDDY
Chief Financial Officer

sd/-
ARUNA SUBRAMANIAN
Company Secretary

Mumbai, 26th April, 2017

Everblue Apparel Limited
Notes to the financial statements for the year ended 31st March, 2017
Note 1: General Information & Significant Accounting Policies

BACKGROUND

Everblue Apparel Limited ('EBAL' or 'the Company') incorporated in India carries on business of converting fabrics into ready made garments on contractual basis.

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013('Act') read with of the Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities are measured at fair value;
2) defined benefit plans — plan assets measured at fair value;

(iii) Current non-current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statemnets and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of Estimates and Judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Property, plant and equipment and intangible assets are stated at historical cost, less accumulated depreciation and impairments, if any. 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 Statment of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings, Plant and Machinery is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act , and management believe that useful life of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis) which is different from that prescribed in Schedule II of the Act.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible Assets

Computer Software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation methods and useful life.

The Company amortises computer software using the straight-line method over the period of 3 Years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

(e) Operating Lease

As a Lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the company's inflationary cost increases.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

(g) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(h) Inventories

Inventory of Stores and Spare parts are stated at cost or net realisable value whichever is lower. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are "weighted average' basis. All the costs incurred on unfinished / finished, but not invoiced jobs, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts – In process", at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(i) Other financial assets

(i) 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 Statement of Statement of Profit and Loss, and

• those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in the Statement of Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this 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.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through Statement of Statement of Profit and Loss are expensed in Statement of Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(j) Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(k) Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(l) Provisions and Contingent Liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

(m) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and rebates .

The Company undertakes contract for converting Fabrics into Readymade Garments. Revenue from such contracts is recognised only after the work is completed and dispatched by the Company

(n) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Goverment Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as provident fund

Gratuity obligations

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

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plan viz Provident Fund is charged to the Statement of Profit and Loss Account as incurred.

(o) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(p) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arrising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(q) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

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

Diluted earnings per share

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

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

(r) Government Grant

Grant from Government are recognised at their fair value, when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grant related to income are deferred and recognised in the profit and loss over the period necessary to match them with the costs that are intended to compensate and reduced from such expenses.

Government grant related to property, plant and equipment are included in the non current liabilities/current liabilities as deferred income, and are credited to profit and loss on straight line basis over the expected lives of the related assets and presented within other income.

(s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors assesses the financial performance and position of the company, and makes strategic decisions.

(t) Amendments to Ind AS 7, 'Statement of cash flows' on disclosure initiative:

The amendment to Ind AS 7 introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes (i.e. changes in fair values), Changes resulting from acquisitions and disposals and effect of foreign exchange differences. Changes in financial assets must be included in this disclosure if the cash flows were, or will be, included in cash flows from financing activities. This could be the case, for example, for assets that hedge liabilities arising from financing liabilities. The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 1, 2017.

EVERBLUE APPAREL LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Note 2- Property, Plant and Equipment

(Rs in lakhs)

	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Total
Gross Carrying amount							
Deemed cost as at 1st April, 2015	567.10	1,019.14	1,422.28	1.38	4.13	0.05	3,014.08
Additions	-	458.00	310.17	80.41	-	33.98	882.56
Disposals	-	141.85	36.02	2.93	-	1.30	182.10
Balance as at 31st March, 2016	567.10	1,335.29	1,696.43	78.86	4.13	32.73	3,714.54
Additions	-	16.32	33.21	3.44	-	1.74	54.71
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2017	567.10	1,351.61	1,729.64	82.30	4.13	34.47	3,769.25
Accumulated Depreciation							
Additions	-	46.83	179.91	17.70	1.34	1.17	246.95
Disposals	-	-	5.29	0.07	-	0.07	5.43
Balance as at 31st March, 2016	-	46.83	174.62	17.63	1.34	1.10	241.52
Additions	-	52.29	183.96	16.54	0.92	14.44	268.15
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	99.12	358.58	34.17	2.26	15.54	509.67
Net carrying amount							
Balance as at 1st April, 2015	567.10	1,019.14	1,422.28	1.38	4.13	0.05	3,014.08
Balance as at 31st March, 2016	567.10	1,288.46	1,521.81	61.23	2.79	31.63	3,473.02
Balance as at 31st March, 2017	567.10	1,252.49	1,371.06	48.13	1.87	18.93	3,259.58

EVERBLUE APPAREL LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Note 2- Property, Plant and Equipment

Notes:

i) Refer to note 30 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

ii) Refer note 29 For information on property, plant and equipment pledged as security by the Company.

iii) In the year 2013-14 the Company had converted 12.50 acres of land out of the 14.00 acres of land allotted by Karnataka Industrial Area Development Board (KIADB) from leasehold to freehold. The differential area of 1.50 acres is being acquired by National Highways Authority of India (NHAI) for a road widening project. The Company had made a representation to KIADB towards possible loss of Civil Construction, which was incurred on the portion of land being surrendered to NHAI. However, in view of no written communication from KIADB relating to the date by which the portion of land is to be handed over to NHAI, no adjustment to fixed assets has been accounted as at March 31, 2017.

iv) Due to fire at Company's premises on 2nd May 2015, certain fixed assets (carrying value Rs. 176.67 lakhs) were destroyed and written off to the Statement of Profit and Loss. Further, the Company had incurred Rs. 41.98 lakhs to repair other assets damaged due to fire. The Company had preferred the insurance claim during the financial year ended March 31, 2016 and had received an "on-account" sum of Rs. 200 lakhs against its claim and also recovered salvage of Rs. 10.68 lakhs. The net loss of Rs. 7.97 lakhs has been disclosed in Note 25 'Other Expenses' as Losses on account of fire. During the year ended March 31, 2017, the Company further received a sum of Rs. 227.66 lakhs as final settlement of claim. This has been disclosed in Note 20 'Other Income' as Receipts against losses on account of fire.

v) The deemed cost of Property, Plant and Equipment as the transition date has been increased by Rs. 29.05 lakhs being unamortised capital subsidy and EPCG of Rs. 278.29 lakhs respectively as on the date of transition. [Refer note 13]

Note 3- Intangible assets

	(Rs in lakhs)
	Computer Software#
Gross carrying amount	
Deemed cost as at 1st April, 2015	-
Additions	12.03
Disposals	-
Balance as at 31st March, 2016	12.03
Additions	-
Disposals	-
Balance as at 31st March, 2017	**12.03**
Accumulated amortisation	
Additions	3.03
Disposals	-
Balance as at 31st March, 2016	3.03
Additions	4.20
Disposals	-
Balance as at 31st March 2017	7.23
Net carrying amount	
Balance as at 1st April, 2015	-
Balance as at 31st March, 2016	9.00
Balance as at 31st March, 2017	4.80

Other than internally generated

Note 4 :- Non-Current Financial Assets
(Unsecured, considered good)

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits with others	45.93	45.93	45.93
Total	**45.93**	**45.93**	**45.93**

Note 5- Other non-current assets

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	9.71	31.67	3.25
Prepaid expenses	0.30	0.38	0.71
Total	**10.01**	**32.05**	**3.96**

Note 6- Inventories

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Accumulated Costs on Conversion Contract - In process	319.38	313.49	244.22
Stores and Spares	1.08	0.71	1.75
Total	**320.46**	**314.20**	**245.97**

Note 7- Trade receivables
(Unsecured, considered good unless otherwise stated)

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables	4.07	-	1.15
Receivables from related parties (refer note 33)	268.71	-	284.29
Total	**272.78**	**-**	**285.44**

Refer note 35 for information about credit risk and market risk of trade receivables.

EVERBLUE APPAREL LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Note 8- Cash and cash equivalents

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	0.43	0.38	0.15
Balances with Banks - in current accounts	17.35	48.90	9.40
Total	**17.78**	**49.28**	**9.55**

Note 9- Other current assets

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Prepaid expenses	1.97	12.98	0.59
Interest Subsidy receivable	11.79	19.68	18.33
Advances to suppliers	12.66	-	-
Other advances	9.59	4.66	9.65
Total	**36.01**	**37.32**	**28.57**

EVERBLUE APPAREL LIMITED
Notes to the financial statements for the year ended 31st March, 2017

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
A) Note 10: Equity share capital			
10,000,000 [31st March, 2016: 10,000,000 and 1st April, 2015: 10,000,000] Equity Shares of Rs. 10 each			
Issued, subscribed and fully paid up			
5,000,000 [31st March, 2016: 5,000,000 and 1st April, 2015: 5,000,000] Equity Shares of Re. 10 each	500.00	500.00	500.00
	500.00	**500.00**	**500.00**

a) **Rights, preferences and restrictions attached to shares**
Equity shares: The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

b) **Equity shares held by Parent and subsidiaries of Parent in aggregate**

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares of Rs. 10 held by:						
Raymond Limited (Holding Company) and its nominees.	50,00,000	100	50,00,000	100	50,00,000	100

c) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares of Re. 10 held by:						
Raymond Limited (Holding Company) and its nominees.	50,00,000	100	50,00,000	100	50,00,000	100

B) Note 11: Preference share capital

1,000,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 100 each
[31st March, 2016: 1,000,000 and 1st April, 2015: 1,000,000]

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1,000,000 [31st March, 2016: 1,000,000 and 1st April, 2015: Nil] Preference Shares of Rs. 100 each	1,000.00	1,000.00	-
	1,000.00	1,000.00	-

a) **Reconciliation of number of preference shares**

(Rs in lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Preference Shares :						
Balance as at the beginning of the year	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-
Balance as at the end of the year	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-

Preference Shares: As on 31st March, 2015 the Company had 6% Cumulative Optionally Convertible Preference Shares (COCPS). Effective 1st April 2015, the terms of the Preference Shares have been modified as under:

9% Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS) will be converted into 6,500,000 number of equity shares of Rs 10 each at a premium of Rs 5/-. Preference shares shown as financial liability as at the transactions date. These are classified as equity instruments as at March 31, 2016, consequent to the modification in the terms of these Preference shares, effective April 1, 2015, subsequent to transition to Ind AS. The fair value of preference share liability derecognised is the same as carrying value. The difference between the fair value of equity instruments, and the fair value of preference share liability, has been recognised as capital contribution in the Other Equity.

Each shareholder of NCCCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to NCCCPS. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The Company has an option to redeem the said shares at par. In the event of liquidation of the Company, the holders of NCCCPS will have priority over equity shares in payment of dividend and repayment of capital.

EVERBLUE APPAREL LIMITED
Statement of Changes in Equity for the year ended 31st March, 2017

Note 12 - Non Current Borrowings

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Term loans			
From bank #	12.50	35.59	82.34
Unsecured			
(a) Term loans			
Loan from Holding Company - Raymond Limited ##	1,675.00	1,675.00	1,675.00
(b) 6% Cumulative Optionally Convertible Preference Shares (Refer Note 11)	-	-	1,457.92
Total	1,687.50	1,710.59	3,215.26

Refer note 35 for liquidity risk

 # Nature of Security and Terms of repayment for Long term secured borrowings:

Nature of Security	Terms of Repayment
i. Term Loan amounting to Rs. 10.87 lakhs (March 31, 2016 : Rs. 44.84 lakhs & April 1, 2015 : Rs 79.09 lakhs) secured by mortgage on entire immovable property of the Company situated at Dodaballapur, Bangalore, in the state of Karnataka and hyothecation of entire movables including Plant and Machinery, Stock in trade and Receivable. The said loan is also guaranteed by the Holding Company - Raymond Limited.	Repayable in 16 half yearly instalments starting from 4th February, 2010 and last instalment due on 4th August, 2017. Rate of interest as at year end 14.00% p.a (14.00% p.a. as at 31st March, 2016, 14.70% p.a. as at 1st April, 2015) *
ii Term Loan amounting to Rs. 25.00 lakhs (March 31, 2016 : Rs. 37.50 lakhs & April 1, 2015 : Rs 50.00 lakhs) secured by mortgage on entire immovable property of the Company situated at Dodaballapur, Bangalore, in the state of Karnataka and hyothecation of entire movables including Plant and Machinery, Stock in trade and Receivable. The said loan is also guaranteed by the Holding Company - Raymond Limited.	Repayable in 16 half yearly instalments starting from 1st March, 2011 and last instalment due on 1st September, 2018 Rate of interest as at year end 14.00% p.a (14.00% p.a. as at 31st March, 2016, 14.70% p.a. as at 1st April, 2015) *

iii. * Rate of Interest is without considering interest subsidy under TUF Scheme

Terms of Repayment of Loan from Raymond Limited - Holding Company

iv. The loan amounting to Rs. 1,675.00 lakhs is due for payment on 30th April, 2018. (as at 31st March, 2016 Rs. 1,675.00 lakhs, due for payment on 30th April, 2018 and as at 1st April, 2015 Rs. 1,675 lakhs, due for payent on 30th April, 2016). Rate of interest as at year end 10.50% p.a (as at 31st March, 2016 10.50% p.a and as at 1st April, 2015 10.50% p.a.)

v Instalments falling due within twelve months of the year end aggregating Rs. 23.37 lakhs (Previous Years Rs. 46.75 lakhs) in respect of all the loans has been grouped under 'Current maturities of long term debt' (Refer Note 16)

vi The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in note 29.

@Represents present value of the future cash to be paid for the preference share.

Note 13- Other non - current liabilities

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Government grant [Refer note 2]	201.44	236.74	272.04
Capital creditors #	-	18.24	-
Total	**201.44**	**254.98**	**272.04**

Note- 13(a) Movement of Government Grants

	As at 31st March, 2017	As at 31st March, 2016
Opening: Government grant	272.04	307.34
Add: Addition during the year	-	-
Less: Released to statement of profit & loss	35.30	35.30
Closing: Government grant	**236.74**	**272.04**

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current portion	35.30	35.30	35.30
Non current portion	201.44	236.74	272.04
Total	**236.74**	**272.04**	**307.34**

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1). The Government Grant shown above represents unamortised amount of the duty saved referred to above. There are no export obligation to be fulfilled subsequent to the reporting date.

Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment (Refer note 2).

Capital creditors comprise of retention money

EVERBLUE APPAREL LIMITED

Statement of Changes in Equity for the year ended 31st March, 2017

Note 14- Current Borrowings

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured			
Loan from Holding Company -Raymond Limited	170.00	170.00	170.00
Total	**170.00**	**170.00**	**170.00**

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in note 29.

Note 15- Trade payables

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables (Other than Related Parties)	354.42	236.66	154.01
Total	**354.42**	**236.66**	**154.01**

(a) Dues to Micro and Small Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(b) Refer note 35 for information about liquidity risk and market risk of trade payables.

EVERBLUE APPAREL LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Note 16- Other financial liabilities

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
(a) Current maturities of long-term debt	23.37	46.75	46.75
(b) Interest accrued but not due on borrowings	174.78	251.13	175.97
(c) Government grant [Refer note 13]	35.30	35.30	35.30
(d) Capital creditors	69.70	11.06	-
(e) Salary and Wages payable	478.96	378.19	325.67
(f) Payable to holding company [Refer note 33]	1.46	1.15	1.95
Total	**783.57**	**723.58**	**585.64**

a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

b) Capital creditors include retention of Rs. 18.24 lakhs (as at 31st March, 2016 Rs. 11.06 lakhs, as at 1st April, 2015 Rs. Nil)

Note 17- Provisions

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for employee benefits [Refer Note 32]			
Leave entitlement	150.77	89.80	101.79
Gratuity	69.75	31.71	49.20
Total	**220.52**	**121.51**	**150.99**

Note 18- Other current liabilities

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Revenue received in advance	-	181.08	-
Statutory dues	50.30	39.90	34.59
Total	**50.30**	**220.98**	**34.59**

EVERBLUE APPAREL LIMITED
Notes to the financial statements for the year ended 31st March, 2017

Note 19- Revenue from Operations

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Sale of Services		
Job Work	6,725.25	5,540.68
Total	**6,725.25**	**5,540.68**

Note 20- Other income

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest income:		
On income tax refund	9.97	-
On others	2.95	3.71
Insurance claim received [Refer note 2 (iv)]	227.66	-
Government grant amortised [Refer note 16]	35.30	35.30
Miscellaneous Income	2.39	0.09
Total	**278.27**	**39.10**

Note 21- Manufacturing and Operating Costs

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Power and fuel	276.92	259.43
Job work charges	728.66	341.58
Repairs to buildings	5.96	7.24
Repairs to machinery	11.02	16.95
Machine hire charges	12.73	16.22
Total	**1,035.29**	**641.42**

Note 22- Increase in Accumulated Costs on Conversion Contract

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Opening Stock		
Accumulated Costs on Conversion Contract - In Process	313.49	244.22
Closing Stock		
Accumulated Costs on Conversion Contract - In Process	319.38	313.49
Total	**-5.89**	**-69.27**

Note 23- Employee benefits expense

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries and wages	4,110.25	3,388.70
Contribution to provident fund	317.41	291.70
Defined benefit plan expense (Refer note 32)	75.09	75.61
Workmen and Staff welfare expenses	592.30	482.34
Total	**5,095.05**	**4,238.35**

Note 24- Finance costs

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest expense (net of subsidy under TUF Scheme Rs. 3.12 lakhs, Previous Year Rs. 5.46 lakhs)	201.09	211.84
Total	**201.09**	**211.84**

Note 25- Depreciation and amortization expense

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment	268.15	246.95
Amortization on Intangible assets	4.20	3.03
Total	**272.35**	**249.98**

Note 26- Other expenses

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Rent	6.76	42.38
Insurance	10.10	14.32
Rates and Taxes	7.47	7.23
Legal and Professional Expenses	62.23	44.64
Travelling & Conveyance	22.46	18.09
Loss due to Fire [Refer note 2 (iv)]	-	7.97
Security charges	81.27	54.18
Housekeeping charges	74.94	3.50
Miscellaneous Expenses	64.92	71.10
Total	**330.15**	**263.41**

(Rs in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Miscellaneous expenses include:		
Auditors' remuneration and expenses		
Audit fees (Including service tax)	4.03	4.01
Reimbursement of out-of-pocket expenses	0.26	0.17

Note 27- Income taxes

Tax expense recognised in the Statement of Profit and Loss

(Rs in lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Current tax		
Current year	20.75	3.19
Total current tax	**20.75**	**3.19**
Deferred tax		
Origination and reversal of temporary difference	21.85	26.72
Total deferred income tax expense/(credit)	**21.85**	**26.72**
Total income tax expense/(credit)	**42.60**	**29.91**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	As at 31st March, 2017	As at 31st March, 2016
Enacted income tax rate in India	30.90%	30.90%
Profit before tax	75.48	44.05
Income Tax expense as per enacted rate	23.32	13.61
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses:		
Others	(3.12)	(0.46)
MAT credit charged	22.40	16.76
Total income tax expense/(credit)	42.60	29.91

Note 27- Income taxes

The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

(Rs in lakhs)

Movement during the year ended March 31, 2015 and March 31, 2016	As at 1st April, 2015	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	Credit/(charge) directly to equity	As at 31st March, 2016
Deferred tax assets/(liabilities)					
Provision for post retirement benefits and other employee benefits	72.60	21.12	(13.57)	-	80.15
Depreciation	(269.47)	(22.12)	-	-	(291.59)
Change in terms of Preference Shares	(33.80)	-	-	33.80	-
Unabsorbed tax depreciation	414.27	(12.15)	-	-	402.12
Total	183.60	(13.15)	(13.57)	33.80	190.68
	-				-

(Rs in lakhs)

Movement during the year ended March 31, 2016 and March 31, 2017	As at 1st April, 2016	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	Credit/(charge) directly to equity	As at 31st March, 2017
Deferred tax assets/(liabilities)					
Provision for post retirement benefits and other employee benefits	80.15	39.37	(1.65)	-	117.87
Depreciation	(291.59)	(55.82)	-	-	(347.41)
Unabsorbed tax depreciation	402.12	(3.75)	-	-	398.37
Total	190.68	(20.20)	(1.65)	-	168.83
					-

Significant Estimates:- Recognition of deferred tax assets for unabsorbed tax depreciation

The Company has been consistently profitable for last few years, which is a convincing evidence about its ability to utilise the unabsorbed tax depreciation which can be carried forward indefinitely as per the tax laws. However, MAT credit has a time limitation of 15 years. Accordingly, deferred tax asset has been recognised on the unabsorbed tax depreciation.

Everblue Apparel Limited
Notes to the financial statements for the year ended 31st March, 2017

28 Earnings per share

	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year(Rs. in lakhs)	32.47	14.14
Weighted average number of equity shares outstanding	50,00,000	50,00,000
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)	0.65	0.28
Add: Weighted average number of potential equity shares on account of Convertible Preference shares	1,00,00,000	1,00,00,000
Weighted average number of Equity shares (including dilutive shares) outstanding	1,50,00,000	1,50,00,000
Earnings Per Share (Rs.) - Diluted (Face value of Re. 10 per share)	0.22	0.09

Note 29 :Assets Hypothicated as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. in lakhs)

	31 March, 2017	31 March, 2016	1 April, 2015
Current Assets			
First Charge			
Receivables	272.78	-	285.44
Stores and Spares	1.08	0.71	1.75
Total Current assets Hypothicated as security	**273.86**	**0.71**	**287.19**
Non Current Assets			
First Charge			
Land	567.10	567.10	567.10
Building	1,252.49	1,288.46	1,019.14
Plant and Machinary	1,371.06	1,521.81	1,422.28
Furniture & fixtures	48.13	61.23	1.38
Vehicles	1.87	2.79	4.13
Office Equipments	18.93	31.63	0.05
Total non-current assets Hypothicated as security	**3,259.58**	**3,473.02**	**3,014.08**
Total assets Hypothicated as security	3,533.44	3,473.73	3,301.27

Note 30 : Commitments (to the extent not provided for) & Contingent Liabilities and Contingent Assets:

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Rs. in lakhs)

	31 March, 2017	31 March, 2016	1 April, 2015
Property, plant and equipment	14.83	94.80	10.27
	14.83	**94.80**	**10.27**
Less: Capital advances	9.71	31.67	3.25
Net Capital commitments	**5.12**	**63.13**	**7.02**
(b) Other Commitments			
(i) Dividend payable on preference shares	-	-	480.00
Total Other Commitments	-	-	480.00
Total Commitments	**5.12**	**63.13**	**487.02**

(c) The Company did not have any Contingent Liabilities as at 31st March, 2017; 31st March, 2016 and 1st April, 2015

(d) Contingent Assets - Refer Note 2 (iii)

Note 31 : Dislosure in respect of Specified Bank Notes held and transacted :-

(Rs. in lakhs)

Particulars	SBNs	Other denomination notes & Coins	Total
Closing cash in hand as on 08.11.2016	4.00	0.91	4.91
(+) Permitted receipts	-	6.60	6.60
(-) Permitted payments	-	4.09	4.09
(-) Amount deposited in Banks	4.00	-	4.00
Closing cash in hand as on 30.12.2016	-	3.42	3.42

SBN - Specified Bank Notes i.e. old currency notes of 500 and 1000.

Note 32: Post retirement benefit plans
i) Defined benefit plans - Gratuity

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

A. Balance Sheet

(Rs. in lakhs)

	Defined benefit plans		
	As at	As at	As at
Present value of plan liabilities	223.14	161.68	142.06
Fair value of plan assets	153.39	129.97	92.86
Plan liability net of plan assets	69.75	31.71	49.20

B. The amount recognised in the balance sheet and movements in the net defined benefit obligation over the year are as follows

	Plan Liabilities	Plan Assets	Net Amount
As at 1st April 2015	142.06	92.86	49.2
Current service cost	73.01	50.44	22.57
Interest expense/(income)	11.08	7.24	3.84
Total amount recognised in profit or loss	**226.15**	**150.54**	**75.61**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)		1.81	(1.81)
(Gain)/loss from changes in demographic assumptions			
(Gain)/loss from changes in financial assumptions	(3.11)		(3.11)
Experience (gains)/losses	(38.98)		(38.98)
Total amount recognised in other comprehensive income	**(42.09)**	**1.81**	**(43.90)**
Employer contributions			-
Benefit payments	(22.38)	(22.38)	-
As at 31st March 2016	**161.68**	**129.97**	**31.71**

	Plan Liabilities	Plan Assets	Net Amount
As at 1st April 2016	161.68	129.97	31.71
Current service cost	72.53	31.71	40.82
Interest expense/(income)	13.02	10.46	2.56
Total amount recognised in profit or loss	**247.23**	**172.14**	**75.09**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)		0.39	(0.39)
(Gain)/loss from changes in demographic assumptions			
(Gain)/loss from changes in financial assumptions	15.58		15.58
Experience (gains)/losses	(20.53)		(20.53)
Total amount recognised in other comprehensive income	**(4.95)**	**0.39**	**(5.34)**
Employer contributions			-
Benefit payments	(19.14)	(19.14)	-
As at 31st March 2017	**223.14**	**153.39**	**69.75**

The weighted average duration of the defined benefit plans is 9 Years (2015-16 : 9 years)
The Company expects to contribute Rs. 162.59 lakhs to the funded plans in financial year 2017-18

D. Assets

	Defined benefit plans		
	As at	As at	As at
Unquoted			
Insurer managed funds	153.39	129.97	92.86
Total	153.39	129.97	92.86

E. Significant estimates - acturial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Financial Assumptions			
Discount rate	7.09%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table Mortality in Retirement

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(Rs in lakhs)

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(16.19)	18.53
Salary Escalation Rate	1%	18.28	(16.27)
Employee Turnover	4%	(15.28)	17.64

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

(Rs. in lakhs)

	Defined benefit obligation	
Year ending 31 March,	**As at 31st March, 2017**	**As at 31st March, 2016**
2018	9.80	6.84
2019	13.75	10.08
2020	18.60	13.49
2021	23.33	17.53
2022	26.78	20.38
Thereafter	108.37	87.01

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 317.41 lakhs (31 March 2016 - Rs. 291.70 lakhs).

(iii) Leave Obligations :

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs.150.77 lakhs (31 March 2016 – Rs. 89.80 lakhs, 1 April 2015 – Rs. 101.79 lakhs) is presented as current liability, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 33 : Related party disclosures as per IND AS 24:-

Relationships	Country of Incorporation
a) Holding Company :-	
Raymond Limited	India
b) Fellow Subsidiary Company where transactions have taken place :-	
ba) Silver Spark Apparel Limited	India
bb) Dress Master Apparels Private Limited	India
c) Joint Venture of Holding company where transactions have taken place :-	
Raymond Uco Denim Private Limited	India

d) Key Management Personnel

S K Gupta - Director
Prasad Thakur - Manager and Director
R A Prabhudesai - Director
Narayanan Ramalingam - Director

Everblue Apparel Limited				
2. Transactions carried out with related parties referred in 1 above, in ordinary course of business :				
				(31st March 2017)
Nature of transactions	Refered in 1 (a) above	Refered in 1 (ba) above	Refered in 1 (bb) above	Refered in 1 (c) above
Income				
Job work	-	0.43	-	6,719.42
	(-)	(-)	(-)	(5,539.68)
Expenses :				
Reimbursement of expense	1.46	-	-	-
	(1.15)	(-)	(-)	(-)
Recovery of expenses	-	-	-	1.88
	(-)	(-)	(-)	(10.49)
Job work charges	-	-	1.11	-
	(-)	(-)	(-)	(-)
Finance :				
Interest Expense	193.72	-	-	-
	(201.72)	(-)	(-)	(-)
Loan Taken	-	-	-	-
	(250.00)	(-)	(-)	(-)
Loan Repaid	-	-	-	-
	(250.00)	(-)	(-)	(-)

The above disclosures exclude the modification to the terms of Preference Shares held by the holding Company (Refer Note 11)
(Figures in Bracket relates to previous year)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Outstandings :-			
Interest Payable to:			
Holding Company	174.35	251.12	174.35
Other financials liabilities:			
Holding Company	1.46	1.15	1.95
Advance from customer :			
Joint Venture of holding company	-	181.08	-
Loan payable :			
Holding Company	1,845.00	1,845.00	1,845.00
Receivables :			
Joint Venture of holding company	268.71	-	284.29
Guarantee given on behalf of company :			
Holding Company	4,300.00	4,300.00	4,300.00

Everblue Apparel Limited

Notes to the financial statements for the year ended 31st March, 2017

Note 34: Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other current financial asset, short term borrowing, trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. In lakhs)

Financial Assets and Liabilities as at 31st March'2017	Routed through P & L				Routed through OCI				Carried at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets													
Other Financial Assets	-	-	-	-	-	-	-	-	-	-	45.93	45.93	45.93
Trade receivable	-	-	-	-	-	-	-	-	-	-	272.78	272.78	272.78
Cash and Cash equivalents	-	-	-	-	-	-	-	-	-	-	17.78	17.78	17.78
	-	-	-	-	-	-	-	-	-	-	**336.49**	**336.49**	**336.49**
Financial Liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	1,880.87	1,880.87	1,880.87
Other Financial Liabilities	-	-	-	-	-	-	-	-	-	-	758.74	758.74	758.74
Trade Payables	-	-	-	-	-	-	-	-	-	-	354.42	354.42	354.42
	-	-	-	-	-	-	-	-	-	-	**2,994.03**	**2,994.03**	**2,994.03**

Everblue Apparel Limited

Notes to the financial statements for the year ended 31st March, 2017

Financial Assets and Liabilities as at 31st March'2016	Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets													
Other Financial Assets	-	-	-	-	-		-	-	-	-	45.93	45.93	45.93
Trade receivable	-	-	-	-	-		-	-	-	-	-	-	-
Cash and Cash equivalents	-	-	-	-	-		-	-	-	-	49.28	49.28	49.28
	-	-	-	-	-		-	-	-	-	**95.21**	**95.21**	**95.21**
Financial Liabilities													
Borrowings	-	-	-	-	-		-	-	-	-	1,927.34	1,927.34	1,927.34
Other Financial Liabilities	-	-	-	-	-		-	-	-	-	675.68	675.68	675.68
Trade Payables	-	-	-	-	-		-	-	-	-	236.66	236.66	236.66
	-	-	-	-	-		-	-	-	-	**2,839.68**	**2,839.68**	**2,839.68**

Financial Assets and Liabilities as at 1st April'2015	Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets													
Other Financial Assets	-	-	-	-	-		-	-	-	-	45.93	45.93	45.93
Trade receivable	-	-	-	-	-		-	-	-	-	285.44	285.44	285.44
Cash and Cash equivalents	-	-	-	-	-		-	-	-	-	9.55	9.55	9.55
	-	-	-	-	-		-	-	-	-	**340.92**	**340.92**	**340.92**
Financial Liabilities													
Borrowings	-	-	-	-	-		-	-	-	-	3,432.01	3,432.01	3,432.01
Other Financial Liabilities	-	-	-	-	-		-	-	-	-	536.95	536.95	536.95
Trade Payables	-	-	-	-	-		-	-	-	-	154.01	154.01	154.01
	-	-	-	-	-		-	-	-	-	**4,122.97**	**4,122.97**	**4,122.97**

Fair value of financial assets and liabilities measured at amortised cost-

	As at 31st March'17		As at 31st March'16		As at 1st April'15	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Other Financial Assets	45.93	45.93	45.93	45.93	45.93	45.93
	45.93	45.93	45.93	45.93	45.93	45.93
Financial Liabilities						
Borrowings	1,687.50	1,687.50	1,710.59	1,710.59	3,215.26	3,215.26
	1,687.50	1,687.50	1,710.59	1,710.59	3,215.26	3,215.26

Note 35 : Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

A) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control through approved policies and procedures over the entire process of market risk management.

i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

a) Exposure to interest rate risk

(Rs in lakhs)

Particulars	As at 31st March'17	As at 31st March'16	As at 1st April'15
Borrowings bearing variable rate of interest	35.87	82.34	129.09

b) Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs in lakhs)

	2016-2017	2015-2016
50 bp increase- decrease in profits	0.30	0.53
50 bp decrease- Increase in profits	-0.30	-0.53

B) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

i) Ageing of Account receivables

(Rs in lakhs)

	As at 31st March'17	As at 31st March'16	As at 1st April'15
Not due	272.78	-	285.44
0-3 months	-	-	-
beyond 3 months	-	-	-
Total	272.78	-	285.44

There is no bad debt amount as per experience of previous period.

C) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

i) Maturity patterns of borrowings

(Rs in lakhs)

	As at 31st March'17				As at 31st March'16				As at 31st March'15			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (including current maturity of long term debt)	23.37	1,687.50	-	1,710.87	46.75	1,710.59	-	1,757.34	46.75	3,215.26	-	3,262.01
Short term borrowings	170.00	-	-	170.00	170.00	-	-	170.00	170.00	-	-	170.00
Total	193.37	1,687.50	-	1,880.87	216.75	1,710.59	-	1,927.34	216.75	3,215.26	-	3,432.01

ii) Maturity patterns of other Financial Liabilities

As at 31st March 2017

(Rs in lakhs)

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	354.42	-	-	-	354.42
Capital Creditors	69.70	-	-	-	69.70
Other Current Financial liabilities	690.50	-	-	-	690.50
Total	1,114.62	-	-	-	1,114.62

Maturity patterns of other Financial Liabilities

As at 31st March 2016

(Rs in lakhs)

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	236.66	-	-	-	236.66
Capital Creditors	11.06	-	-	18.24	29.30
Other Current Financial liabilities	665.77	-	-	-	665.77
Total	913.49	-	-	18.24	931.73

As at 31st March 2015

(Rs in lakhs)

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	154.01	-	-	-	154.01
Capital Creditors	-	-	-	-	-
Other Current Financial liabilities	538.90	-	-	-	538.90
Total	692.91	-	-	-	692.91

Note 36 : Capital risk management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustements in the light of changes in economic enviroments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and cash equivalents divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

(Rs. in lakhs)

	31 March, 2017	31 March, 2016	1 April, 2015
Net Debt	1,845.31	1,828.78	3,412.91
Total Equity	933.35	897.19	(639.00)
Net Debt to Total Equity	198%	204%	-534%

Note: The Net Debt to Total Equity percentage as at 1st April, 2015 is higher due to change in terms of Preference Shares (Refer Note 11 and Note 12)

Note 37 : Segment Reporting

The Company's business activity falls within a single primary business segment of "Manufacturing of Denim Garments" as a job processor and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

The Company having combined revenue of more than 10% with the related parties amounts to Rs. 6,719.42 lakhs. Further there is no external customer having revenue of more than 10%.

Note 38 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2017 for the company, be applied retrospectively and consistently for all financial years presented. In accordance with, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions availed

Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as reuired under Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
II. A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016
III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016
IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

EVERBLUE APPAREL LIMITED

Notes to the standalone financial statements for the year ended 31st March, 2017

Note 38 First-time adoption of Ind AS

I. Reconciliation of Balance sheet as at April 1, 2015

	Notes to first time adoption	Regrouped Previous GAAP**	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	C	2,706.74	307.34	3,014.08
Capital work-in-progress		40.42	-	40.42
Financial Assets				
Long - term loans and advances		-	-	-
Other financial assets		45.93	-	45.93
Deferred tax assets (Net)	A, D	-	183.60	183.60
Current Tax Assets (Net)		86.01	-	86.01
Other non-current assets		3.96	-	3.96
Current assets				
Inventories		245.97	-	245.97
Financial Assets				
Trade receivables		285.44	-	285.44
Cash and cash equivalents		9.55	-	9.55
Short - term loans and advances		-	-	-
Other current assets		28.57	-	28.57
		-	-	
TOTAL		3,452.59	490.94	3,943.53
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		500.00	-	500.00
Preference share capital	D	1,000.00	(1,000.00)	-
Other equity				
Reatined earnings		(864.68)	(462.06)	-1,326.74
Equity component of other financial instruments	D	-	187.74	187.74
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Long - term borrowings	D	1,757.34	1,457.92	3,215.26
Deferred tax liabilities (Net)		-	-	-
Other non-current liabilities	C	-	272.04	272.04
Current liabilities				
Financial Liabilities				
Short term Borrowings		170.00	-	170.00
Trade payables		154.01	-	154.01
Other current liabilities	C	550.34	35.30	585.64
Provisions		150.99	-	150.99
Other current liabilities		34.59	-	34.59
TOTAL		3,452.59	490.94	3,943.53

** As required under Paragraph (10C) of Ind AS 101 the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind AS.

Note 38 First-time adoption of Ind AS

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	C	3,201.01	272.01	3,473.02
Intangible assets		9.00	-	9.00
Financial Assets				
Long - term loans and advances		-	-	
Other financial assets		45.93	-	45.93
Deferred tax assets (Net)	A	-	190.68	190.68
Current Tax Assets (Net)		184.01	-	184.01
Other non-current assets		32.05	-	32.05
Current assets				
Inventories		314.20	-	314.20
Financial Assets				
Trade receivables		-	-	-
Cash and cash equivalents		49.28	-	49.28
Short - term loans and advances		-	-	-
Other current assets		37.31	0.01	37.32
				-
TOTAL		**3,872.79**	**462.70**	**4,335.49**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		500.00	-	500.00
Preference share capital	D	1,000.00	-	1,000.00
Other equity				
Reatined earnings	D	(793.47)	190.66	(602.81)
Equity component of other financial instruments				
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Long - term borrowings		1,710.59	-	1,710.59
Other non-current liabilities	C	18.24	236.74	254.98
Current liabilities				
Financial Liabilities				
Short Term Borrowings		170.00	-	170.00
Trade payables		236.66	-	236.66
Other current liabilities	C	688.28	35.30	723.58
Short term provisions		121.51	-	121.51
Other current liabilities		220.98	-	220.98
TOTAL		**3,872.79**	**462.70**	**4,335.49**

Note 38 First-time adoption of Ind AS

II B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations		5,540.68		5,540.68
Other Income	C	3.80	35.30	39.10
Total		5,544.48	35.30	5,579.78
Expenses				
Increase in Accumulated Costs on Conversion Contract		(69.27)		(69.27)
Manufacturing and Operating Costs		641.42		641.42
Employee benefits expense	B	4,194.45	43.90	4,238.35
Finance costs		211.84		211.84
Depreciation and amortization expense	C	214.68	35.30	249.98
Other expenses		263.41		263.41
Total		5,456.53	79.20	5,535.73
Profit before exceptional items and tax		**87.95**	**(43.90)**	**44.05**
Tax expense				
Current tax (MAT)		16.76	-	3.19
Deferred tax (net)		-	13.15	26.72
Profit for the year (A)		71.19	(57.05)	14.14
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	43.90	43.90
Income tax relating to items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	(13.57)	(13.57)
Other Comprehensive Income for the year (B)		-	30.33	30.33
Total Comprehensive Income for the year (A+B)		71.19	(26.72)	44.47
Equity holder of parent		71.19	(26.72)	44.47

EVERBLUE APPAREL LIMITED

Notes to the standalone financial statements for the year ended 31st March, 2017

Note 38 First-time adoption of Ind AS

III A **Reconciliation of Equity**

	Note	As at 31st March,2016	As at 1st April,2015
Total equity under Previous GAAP		706.53	635.32
Adjustments impact: Gain/ (Loss)	A, D		
6% Cumulative Optionally Convertible Preference Shares classified under borrowings under Ind AS		-	(1,000.00)
Equity Element of Preference Shares		-	187.74
Difference between the present value of future cash flows of the prefence liabiity and its carring value as on the transiton date		(744.92)	(744.92)
Deferred tax adjustment, on Ind AS adustment, and on impact of conversion of financial instrucment		316.66	282.86
Reclassification of Other Component of Equity to Retained Earnings due to Conversion of financial liability in to equity		187.74	-
Impact of conversion of financial liability in to equity		457.92	-
Profit for the year under previous GAAP		(71.21)	-
Profit for the year under current GAAP		14.14	-
Other Comprehensive Income for the year ended March 31, 2016		30.33	-
Total IND AS adjustment		**190.66**	**(1,274.32)**
Total equity under Ind AS		**897.19**	**(639.00)**

III B **Reconciliation of Income Statement**

	Note	For the year ended 31st March'2016
Profit after tax under Previous GAAP		**71.19**
Adjustments Gain/ (Loss)		
Deferred tax assets on IND AS adjustment	A	(26.72)
Total adjustment		(26.72)
Total comprehensive income as per Ind AS		44.47

III C **Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016**

	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flow from operating activities	864.24	-	864.24
Net cash flow from investing activities	(638.93)	-	(638.93)
Net cash flow from financing activities	(185.58)	-	(185.58)
Net increase/(decrease) in cash and cash equivalents	39.73	-	39.73
Cash and cash equivalents as at 1 April 2015	**9.55**	-	**9.55**
Effects of exchange rate changes on cash and cash equivalents	49.28	-	49.28
Cash and cash equivalents as at 31 March 2016	**49.28**	-	**49.28**

EVERBLUE APPAREL LIMITED

Notes to the standalone financial statements for the year ended 31st March, 2017

Note 38 First-time adoption of Ind AS

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to IND AS

A Deferred Tax Asset recognition

Under the previous GAAP, deferred tax assets on unabsorbed depreciation or carry forward of losses under tax laws, were recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, whereas under IndAS, deferred tax asset on these items can be recognised when there is sufficient taxable temporary differences or there is convincing other evidence.

B Remeasurements of post employment benefit obligation

Under Ind AS, remeasurements i.e. acturial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year.

C Government Grants

As stated in the Note 1, on transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. However, in view of the Ind AS Transition Facilitation Group (ITFG) clarification bulletin dated April 17, 2017, the deemed cost of property, plant and equipment as at the transition date has been increased by Rs. 307.34 lakhs being the unamortised Capital Subsidy/EPCG of Rs. 307.34 lakhs as on the date of the transition (refer Note no. 13).

D Preference Shares

Preference shares shown as financial liability as at the transactions date. These are classified as equity instruments as at March 31, 2016, consequent to the modification in the terms of these Preference shares, effective April 1, 2015, subsequent to transition to Ind AS.

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JK FILES (INDIA) LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI H. SUNDER SHRI K. A. NARAYAN SMT. GEETHAA GHANECKAR SHRI R. A. PRABHUDESAI SHRI R. NARAYANAN SHRI GANESHKUMAR SUBRAMANIAN
WHOLE TIME DIRECTOR	:	SHRI GANESHKUMAR SUBRAMANIAN
MANAGER	:	SHRI PRAVIN CHAUDHARI
CHIEF FINANCIAL OFFICER	:	SHRI SRINIVASAN GANAPATHY
COMPANY SECRETARY	:	SMT. ARCHANA PANCHAL
STATUTORY AUDITORS	:	MESSRS. LODHA & CO. CHARTERED ACCOUNTANTS
SECRETARIAL AUDITOR	:	MESSRS. ASHISH BHATT & ASSOCIATES
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

JK FILES (INDIA) LIMITED
(CIN: U27104MH1997PLC105955)
DIRECTORS' REPORT

To,
The Members of JK FILES (INDIA) LIMITED

Your Directors present their Twentieth Annual Report on the business and Operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

This Company is the largest manufacturer of steel files in the world with the global market share of around 30% in the file business. The company reported a Gross Revenue of Rs. 354.10 Crore for the FY 2017 (Previous Year: Rs. 399.49 crore), with a loss of Rs. 12.61 Crore (Previous Year: loss Rs. 4.06 crore). The low volume off – take, particularly in files business, both domestic and export market caused by continues weak economic conditions, increase in employment cost and inflationary trends in input costs like power etc. adversely impacted the operating margins. Various steps taken to improve revenue along with cost reduction drive, has helped company to minimize the adverse impact to a large extent.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2016-17.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. SUBSDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

JK TALABOT LIMITED

Your company holds 90% of equity shares of this company and the remaining 10% equity shares are held by M.O.B. Outillage S.A., France.

This company manufactures files and rasps at its plant at Chiplun in Ratnagiri District, in the State of Maharashtra. During FY 2016-17, the Gross Revenue of the company stood at Rs. 21.12 crores (previous Year: Rs. 24.36). The Company reported a profit after tax of Rs. 1.49 crores during FY 2016-17 (Previous Year: Rs. 1.38 crores).

5. CONSOLIDATED ACCOUNTS

In accordance with Rule 6 of Companies (Accounts) Rules, 2014, your Company is not required to consolidate the Financial Statement with its subsidiary since the Company is an intermediate wholly owned subsidiary of Raymond Limited.

6. AUDITORS

6.1 STATUTORY AUDIT

As per the provisions of Section 139 of the Companies Act 2013, the term of office of Messrs. Lodha & Co, Chartered Accountants, as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by Messrs. Lodha & Co as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN 012754N/N500016) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

6.2 SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Ashish Bhatt & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit Report of the Company. The Secretarial Audit Report is included as **Annexure – A** and forms an integral part of this Report.

There is no secretarial audit qualification for the year under review.

7. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s Mahajan & Aibara, a reputed firm of Chartered Accountants. The main Thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

8. SHARE CAPITAL

The paid up Share Capital as on March 31, 2017 was Rs. 30.74 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017 none of the Directors or Key Managerial Personnel of the Company hold Shares or convertible instruments of the Company.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. DIRECTORS

A) Changes in Directors and Key Managerial Personnel

I) Directors:

Shri Ganeshkumar Subramanian has been appointed as an Additional cum Whole time Director of the Company with effect from December 01, 2016 to November 30, 2019, subject to approval of members, and the same has been approved at the Extraordinary General Meeting held on March 30, 2017.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri H Sunder, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

All Independent Directors have given declarations that they meet criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

During the year, Five Board Meetings were held viz. April 25, 2016, July 19, 2016, October 24, 2016, January 24, 2017 and March 31, 2017.

Sr. No.	Name of Director	DATE OF BOARD MEETING				
		25.04.2016	19.07.2016	24.10.2016	24.01.2017	31.03.2017
1	Shri Ganeshkumar Subramanian*	N.A	N.A	N.A	✓	✓
2	Shri H. Sunder	✓	✓	✓	✓	✓
3	Shri K. A. Narayan	✓	✓	✓	✓	-
4	Shri R. A. Prabhudesai	✓	✓	✓	✓	✓
5	Shri R. Narayanan	✓	✓	✓	✓	✓
6	Smt. Geethaa Ghaneckar	✓	✓	✓	✓	-

*Shri Ganeshkumar Subramanian has been appointed as an Additional cum Whole time Director of the Company w.e.f. December 01, 2016.

II) Key Managerial Personnel

Shri Rameez Shaikh has resigned as the Company Secretary w.e.f. July 18, 2016. The Board places on record its appreciation for the services rendered by him during his tenure as Company Secretary. Smt. Archana Panchal is appointed as Company Secretary.

Shri Venkata Ramarao Ilavarapu has resigned as the Manager w.e.f 18.07.2016. The Board places on record its appreciation for the services rendered by him during his tenure. Shri Pravin Chaudhari is appointed as Manager.

Shri Ganeshkumar Subramanian has been appointed as Whole time Director of the Company.

As on March 31, 2017 your company has the following KMP's:

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Pravin Chaudhari	Manager	19/07/2016
2	Shri Srinivasan Ganapathy	Chief Financial Officer	24/07/2014
3	Smt. Archana Panchal	Company Secretary	19/07/2016
4	Shri Ganeshkumar Subramanian	Whole time Director	01/12/2017

III) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

12. COMMITTEES OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meetings of Board and its Powers) Rule, 2014, the Audit Committee has been re-constituted on April 24, 2015.

The current Composition of the Audit Committee is as under:

1. Shri K.A. Narayan : Non-executive, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri R.A. Prabhudesai : Independent Director, Member

The terms of reference of the Committee are determined by the Board and their relevance reviewed from time to time.

During the year, four meetings of the Audit Committee were held viz. April 22, 2016, July 19, 2016, October 24, 2016 and January 24, 2017.

Sr. No.	Name of Director	DATE OF MEETING			
		22.04.2016	19.07.2016	24.10.2016	24.01.2017
1	Shri K. A. Narayan	✓	✓	✓	✓
2	Shri R. A. Prabhudesai	✓	✓	✓	✓
3	Shri R. Narayanan	✓	✓	✓	✓

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the nomination and remuneration Committee was re-constituted on April 24, 2015. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The current Composition of the Committee is as under:

1. Shri K.A. Narayan : Non-executive, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri R.A. Prabhudesai : Independent Director, Member

The terms of reference of Nomination and Remuneration Committee are as under:

1. to help in determining the appropriate size, diversity and composition of the Board;
2. to recommend to the Board appointment/re-appointment and removal of Directors;
3. to frame criteria for determining qualifications, positive attributes and independence of Directors;
4. to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
5. to create an evaluation framework for Independent Directors and the Board;
6. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
7. Delegation of any of its powers to any Member of the Committee or the Company Secretary.

During the year, one meeting of the Nomination and Remuneration Committee was held on October 24, 2016, which was attended by all the Members.

Corporate Social Responsibility Committee

A report on CSR activities and the contents of Corporate Social Responsibility policy is annexed as **Annexure – B.**
The policy is displayed on the Company's website i.e. www.jksuperdrive.com.

During the year, one meeting of Corporate Social Responsibility Committee was held March 14, 2017, which was attended by all the members.

Committee of Directors

During the year, three meetings of the Committee of Directors were held viz. July 27, 2016, December 30, 2016 and February 22, 2017

Sr. No.	Name of Director	DATE OF MEETING		
		27.07.2016	30.12.2016	22.02.2017
1	Shri H. Sunder	✓	✓	✓
2	Shri K.A. Narayan	✓	✓	✓
3	Smt. Geethaa Ghaneckar	✓	✓	✓

13. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower Policy to report genuine concerns to be disclosed. The policy is displayed on the Company's website (www.jksuperdrive.com).

14. RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year under review are on arm's length basis and in the ordinary course of business and that provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard operating procedures for purpose of identification and monitoring of such transactions.

15. RISK MANAGEMENT POLICY

The Company is exposed to risk from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the directors have prepared the annual accounts on a going concern basis; and

v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

17 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on the conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **Annexure- C** to this Report.

18 EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure-D** to this Report.

19 PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

20 DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

21 ACKNOWLEDGEMENT

The Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks for their continued support and co-operation.

For and on behalf of the Board of
JK FILES (INDIA) LIMITED

Sd/-	**sd/-**
K. A. Narayan	**Ganeshkumar Subramanian**
Director	**Whole-time Director**
DIN: 00950589	**DIN: 00088163**

Mumbai
April 26, 2017

Annexure - A

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JK Files (India) Limited
New Hind House,
Narottam Morarjee Marg,
Ballard Estate,
Mumbai- 400 001
Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JK Files (India) Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.(Not applicable to the Company during audit period);

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Not applicable to the Company during audit period)

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during audit period);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during audit period);

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities of the Company are not listed on any Stock Exchange hence no comment is made about Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 26, 2017

Annexure I

List of applicable laws to the Company

List of applicable laws to the Company are as follows:

Under the Major Group and Head

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue laws of respective States;
8. Labour Welfare Act of respective States;
9. Trade Marks Act 1999 & Indian Copy Right Act 1957;
10. The Legal Metrology Act, 2009;

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 26, 2017

Annexure - B

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR policy was approved by the Board of Directors at its Meeting held on April 28, 2014 and has been uploaded on the Company's website. A gist of the programs that the Company can undertake under the CSR policy is mentioned below.

The web link is http://www.jksuperdrive.com

The Company had proposed to undertake activities relating to eradicating hunger, poverty, malnutrition, and promoting preventive health care and sanitation and making available safe drinking water.

The activities and funding are monitored internally by the Company.

2. The Composition of the CSR Committee.

Shri K.A. Narayan, Chairman (Non-Executive Director);
Shri R.A. Prabhudesai (Independent Director);
Shri R. Narayanan (Independent Director);

3. Average net profit of the Company for the last three financial years

The average net profit for the last three years is Rs. 329.75 Lacs.

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)

The Company is required to spend Rs. Nil towards CSR for the financial year 2016-17

5. Details of CSR spent during the financial year: 15-16
   a. Total amount to be spent for the financial year: 25 Lac (which was carry forward from FY 14-15)
   b. Amount unspent, if any: Rs. Nil
   c. Manner in which the amount spent during the financial year detailed below:
      The Company has paid Rs. 25 Lac for the FY 15-16 to N K Dhabhar Cancer Foundation.

6. In case the Company has failed to spend two percent, of the average net profit of the latest three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

7. Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014, we hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives which are in line with the CSR objectives and policy of the Company.

For JK Files (India) Limited	**For JK Files (India) Limited**
Sd/-	sd/-
K. A. Narayan	**Ganeshkumar Subramanian**
Director	**Whole-time Director**
DIN: 00950589	**DIN: 00088163**

April 26, 2017
Mumbai

Annexure – C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

{Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014}

A) CONSERVATION OF ENERGY :

- During FY 16-17, JKFIL's manufacturing engineering team has conducted study for potential areas of improvement for energy conservation. Based on plant wise analysis following two projects are identified & initiated.
    1. Replacement of all CFL lamps by LED lamps.- Potential saving of Rs. 0.25 Cr per annum
    2. Implementation of online energy monitoring system (section wise). – 3% power cost saving across all the plants.

B) <u>TECHNOLOGY ABSORPTION :</u>

a) Technological Absorption, Adaptation, Innovation :

<u>Process Improvement: (RM BOM Correction and Implementation of Auto weighing & BIN system)</u>

- RM Variance against BOM was very high across all plants; It was due to end wastage losses and no control over issue.
- Actual study conducted across all plants and Standardization done in Bar & Mood lengths to have minimum end wastage. BOM corrected accordingly.
- To have control on issue, Auto weighing machines & bin system implemented across plans and ancillaries to have exact counting in Nos.
- This has resulted into 10-12% saving in RM consumption and n mismatch against BOM. Expected 6 Cr annual cost saving in RM.

<u>Process Improvement: (Rust preventive process)</u>

- Process of applying rust preventive oil is changed from manual dipping to automatic oil dipping. This ensures minimum one minute dipping to form rust preventive oil film on files.
- Packing material for files is changed from wax paper to VCI poly film.
- Above two changes resulted into zero customer complaints in last 1 Yr.

<u>Robotic Hardening</u>

- Designed a new fixture concept called gang hardening (instead of single file manual hardening) resulted in consistent hardness quality, productivity improvement, control over rejection, manufacturing cost reduction.
- Now 5 out of 6 robots are in operational & in working condition.
- As of now 30 lacs has been saved. The total cost of saving would be 3.60 Cr/ annum.

b) New Product Development : **NOT APPLICABLE**
c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- **NOT APPLICABLE**
d) Research and Development-

C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

The Company had Rs. 141.36 Cr (Previous Year: 158.09 Cr) earnings in foreign exchange and the outgo in foreign exchange was Rs. 47.23 (Previous Year: 49.59 Cr).

Annexure-D

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U27104MH1997PLC105955
2.	Registration Date	18/02/1997
3.	Name of the Company	JK Files (India) Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non- government Company
5.	Address of the Registered office & contact details	New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai- 400 001. Tel: 022 – 66046000 Fax: 022 – 22620052
6.	Whether listed Company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Files & Rasps	25932	64%
2	HSS Drills	25933	18%
3	Hand Tools & accessories	28180/46633	16%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	**Raymond Limited with its Nominees** Plot No. 156/H. No. 2, Village Zadgaon, Ratnagiri – 415 612	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)
2	**JK Talabot Limited** New Hind House Narottam Morarjee Marg, Ballard Estate, Fort, Mumbai-400001	U28930MH2005PLC154517	Subsidiary Company	90%	Section 2(87)

IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	8740658	8740658	100	-	8740658	8740658	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-

Sub-total (A) (1) :-	-	8740658	8740658	100	-	8740658	8740658	100	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	8740658	8740658	100	-	8740658	8740658	100	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	8740658	8740658	100	-	8740658	8740658	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2016)			Shareholding at the end of the year (As on Mrach 31, 2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Raymond Limited and its nominees	8740658	100	-	8740658	100	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no Change in the Promoters' Shareholding**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no Change in the Shareholding Pattern of the top ten Shareholders**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**None of the Directors hold shares in the Company**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	65,51,79,000.00	34,27,82,000.00	-	99,79,61,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19,13,000.00	-	-	19,13,000.00
Total (i+ii+iii)	**65,70,92,000.00**	**34,27,82,000.00**	**-**	**99,98,74,000.00**
Change in Indebtedness during the financial year				
* Addition	0.00	36,00,00,000.00	-	36,00,00,000.00
* Reduction	(24,53,12,000.00)	(36,00,00,000.00)	-	(60,53,12,000.00)
Net Change	**(24,53,12,000.00)**	**-**	**-**	**(24,53,12,000.00)**
Indebtedness at the end of the financial year				
i) Principal Amount	41,10,44,000.00	34,27,82,000.00	-	75,38,26,000.00
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	7,36,000.00	-	-	7,36,000.00
Total (i+ii+iii)	**41,17,80,000.00**	**34,27,82,000.00**	**-**	**75,45,62,000.00**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Rs. In Lac)

SN.	Particulars of Remuneration	Name of Managing Director, Whole-time Director and Manager			Total Amount
		Shri Venkata Ramarao Ilavarapu (Manager till 18.07.2016)	Shri Pravin Chaudhary (Manager w.e.f. 19.07.2016)	Shri Ganesh Kumar(Whole-time Director w.e.f. 01.12.2016)	
1	Gross salary	10.38	35.32	44.72	90.42
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.38	35.32	44.72	90.42
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	10.38	35.32	44.72	90.42

The remuneration to whole time director is calculated on pro-rata basis w.e.f 1st December 16 . Total gross remuneration paid as CEO & Whole time director is Rs 86.48 Lacs.

B. Remuneration to other directors

(Rs. In Lac)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri R. A. Prabhudesai	**Shri R. Narayanan**	**----**	
1	Independent Directors				
	Fee for attending board committee meetings	3.00	3.00	-	6.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	3.00	3.00	-	6.00
2	Other Non-Executive Directors	SMT. GEETHAA GHANECKAR	SHRI K. A. NARAYAN	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	0.00	-	-	0.00
	Total (B)=(1+2)	6.00	-	-	6.00
	Total Managerial Remuneration	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In Lac)

SN	Particulars of Remuneration	Key Managerial Personnel				
				CS	CFO	Total
				Shri Rameez Shaikh/ Smt. Archana Panchal	Shri Srinivasan Ganapathy	
1				-	49.36	219.09
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-	49.36	219.09
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-		
2	Stock Option	-		-		
3	Sweat Equity	-		-		
4	Commission	-		-		
	- as % of profit	-		-		
	others, specify…	-		-		
5	Others, please specify	-		-		
	Total			**-**	**49.36**	**219.09**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITOR'S REPORT

To The Members of
JK Files (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **JK Files (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, Statement of changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the

Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its loss, Statement of Changes in Equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the " Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give in Annexure B a separate report on the same.

3. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 38 to the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

(iv) The Company has disclosed in the financial statements as to holding as well as dealings in Specified Bank Notes (SBN) during the period from 8th November 2016 to 30th December 2016 and these are in accordance with books of account maintained by the Company (Refer Note 48 to the financial statements)

For **LODHA & COMPANY**
Chartered Accountants
Firm Registration No. – 301051E

sd/-

R. P. BARADIYA
Partner
Membership No. 44101

Place: Mumbai
Date: 26th April, 2017

" Annexure A"

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE JK FILES (INDIA) LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The Company has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   c) Based on verification and examination of records, title deeds of the immovable properties are held in the name of the Company except leasehold land of Rs. 139.19 lacs which is in the process of transfer in the name of the Company.

2. The inventory has been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, Para 3 (iii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.

5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company.

6. On the basis of records produced, we are of the opinion that prima facie, the cost records and accounts prescribed by the Central Government under Section 148 (1) of the Act have been maintained. However, we are not required to and thus have not carried out any detailed examination of such accounts and records, with a view to ascertain whether these are accurate and complete.

7. a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute except following :

Statute	**Nature of Dues**	**Forum where dispute is pending**	**Rs. In Lakhs**	**Period to which it relates**
The Central Sales Tax,1956	Sales Tax	Appellate Board	3.72	1996-97
The Central Sales Tax,1956	Sales Tax	Revision Board	10.80	2007-08
The Central Sales Tax,1956	Sales Tax	Revision Board	28.33	2011-12
The Central Sales Tax,1956	Sales Tax	Revision Board	27.10	2011-12
The Central Sales Tax,1956	Sales Tax	Sr. Joint Commissioner	0.08	2014-15
The Central Sales Tax,1956	Sales Tax	Dy. Commissioner (Appeals)	380.83	2009-10
The Central Sales Tax,1956	Sales Tax	Dy. Commissioner (Appeals)	0.42	2013-14
The West Bengal Tax on Entry of Goods into Local Areas Act,2012	Entry Tax	Sales Tax officer	8.10	2009-10
The Central Excise Act,1944	Excise Duty	Assistant Commissioner	17.55	2012-13 to 2015-16
The Central Excise Act,1944	Service Tax	Assistant Commissioner	1.62	2012-13 to 2015-16
The Central Excise Act,1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	0.46	2004-05
The Central Excise Act,1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	43.22	April,2007 to April, 2008
The Central Excise Act,1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	0.79	April, 2008
The Central Excise Act,1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	2.16	2010-11
The Central Excise Act,1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	6.96	October 2009 to March,2010
The Central Excise Act,1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	4.36	2010-11
The Central Excise Act,1944	Service Tax	Custom, Excise & Service Tax Appellate Tribunal, Mumbai	2.51	September 2006 to March 2009

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.

9. The Company has not raised any money by way of initial public offer or further public offer during the year or in the recent past and has not taken any term loan. Therefore, Para 3 (ix) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by officers or employees of the Company, noticed or reported during the year, nor have we been informed of such case by the management.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. In our opinion, the Company is not Nidhi Company. Therefore, Para 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

13. All transactions with the related parties are in compliance with section 188 of Act and the details have been disclosed in the Financial Statements (refer Note No. 44 of the financial statements) as required by the applicable accounting standards. As explained, provisions of Section 177 of the Act is not applicable to the Company.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act.

16. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For LODHA & COMPANY
CHARTERED ACCOUNTANTS
Firm Registration No: 301051E
sd/-
R.P. BARADIYA
PARTNER
Membership No: 44101

Place : Mumbai
Dated :26h April, 2017

" Annexure B"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **JK FILES (INDIA) LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the" Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LODHA & COMPANY
CHARTERED ACCOUNTANTS
Firm Registration No: 301051E
sd/-
R.P. BARADIYA
PARTNER
Membership No: 44101

Place : Mumbai
Dated :26h April, 2017

J K Files (India) Limited

Balance Sheet as at 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

		Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	2	6,484.60	6,999.26	7,625.31
	(b) Capital work - in - progress	2	38.99	16.54	309.74
	(c) Goodwill	3	79.41	79.41	79.41
	(d) Other Intangible assets	3	625.33	877.15	1,159.04
	(e) Financial Assets				
	(i) Investments	4	724.89	724.89	724.89
	(ii) Others financial assets	8(1)A	146.30	167.35	173.28
	(f) Deferred tax assets (net)	28	574.27	149.08	-
	(g) Other non - current assets	9	240.72	329.16	351.06
	(h) Current Tax Assets (Net)		305.89	459.56	413.66
	Total Non-Current Assets		**9,220.39**	**9,802.40**	**10,836.39**
2	**Current assets**				
	(a) Inventories	10	3,358.24	5,569.22	5,765.14
	(b) Financial Assets				
	(i) Trade receivables	5	5,676.56	6,681.89	7,519.84
	(ii) Cash and cash equivalents	6	1,137.79	33.46	81.99
	(iii) Loans	7	115.83	65.28	7.28
	(iv) Others financial asset	8(1)B	13.81	28.47	48.27
	(c) Other current assets	11	847.93	1,178.00	1,588.14
			11,150.16	**13,556.31**	**15,010.67**
3	**Non-current Assets classified as held for sale**	8(2)	-	687.63	-
	Total Current Assets		**11,150.16**	**14,243.94**	**15,010.67**
	TOTAL ASSETS		**20,370.55**	**24,046.33**	**25,847.06**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity share capital	12	3,074.07	3,074.07	3,074.07
	(b) Other equity		2,553.67	3,826.82	4,148.68
	Total Equity		**5,627.74**	**6,900.89**	**7,222.75**
2	**LIABILITIES**				
	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	13	4,558.12	5,504.68	6,509.31
	(b) Deferred tax liabilities (Net)	28	-	-	53.36
	Total Non Current Liabilities		**4,558.12**	**5,504.68**	**6,562.67**
	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	14	2,038.14	3,146.79	3,373.16
	(ii) Trade payables	16	5,485.64	5,328.58	5,855.66
	(iii) Other financial liabilities	17(2)	1,573.30	2,160.11	1,926.42
	(b) Other current liabilities	15	733.45	758.11	701.65
	(c) Provisions	17(1)	354.16	247.17	204.75
	Total Current Liabilities		**10,184.70**	**11,640.75**	**12,061.64**
	Total Liabilities		**14,742.82**	**17,145.44**	**18,624.31**
	TOTAL EQUITY AND LIABILITIES		**20,370.55**	**24,046.33**	**25,847.06**

Accompanying Notes form an integral part of financial statements **1 to 45**

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26.04.2017

For and on behalf of the Board

sd/-
Ganesh Kumar Subramanian
Whole Time Director
DIN: 00088163

sd/-
K. A. Narayan
Director
DIN:00950589

sd/-
Srinivasan Ganapathy
Chief Financial Officer

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26.04.2017

Statement of Profit and Loss for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

		Note	Year ended 31st March,2017	Year ended 31st March, 2016
I	**Revenue from Operations**	18	35,410.21	39,949.99
II	**Other Income**	19	358.87	550.41
III	**Total Income (I + II)**		**35,769.08**	**40,500.39**
IV	**Expenses**			
	Cost of materials consumed	20	7,359.70	9,831.52
	Purchases of Stock-in-Trade	21	4,466.94	5,540.77
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	22	2,072.25	53.45
	Manufacturing and Operating Costs	23	9,544.44	11,511.61
	Employee benefits expense	24	6,692.35	6,751.77
	Finance costs	25	890.02	1,223.65
	Depreciation and amortization expense	26	972.44	1,022.75
	Other expenses	27	5,091.53	5,174.06
	Total expenses (IV)		**37,089.68**	**41,109.59**
V	**Profit / (Loss) before exceptional items and tax**		(1,320.60)	(609.20)
VI	**Exceptional Items-Voluntary Retirement Scheme**		360.59	-
VII	**Profit / (Loss) before tax**		(1,681.20)	(609.20)
VIII	**Tax expense**	28		
	Current tax		-	-
	Deferred tax Expense/(Income)		(419.26)	(202.44)
IX	**Profit/(Loss) for the year (VII - VIII)**		(1,261.94)	(406.76)
X	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of net defined benefit plans	29	(17.15)	84.90
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		(5.93)	-
XI	**Other Comprehensive Income for the year**		**(11.21)**	**84.90**
XII	**Total Comprehensive Income for the year (VII+IX)**		**(1,273.15)**	**(321.86)**
XIII	**Earnings per equity share of Rs. 10 each**	32		
	Basic & Diluted before Exceptional item		(10.44)	(3.68)
	Basic & Diluted after Exceptional item		(14.57)	(3.68)

Accompanying Notes form an integral part of financial statements **1 to 45**

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26.04.2017

For and on behalf of the Board

sd/-
Ganesh Kumar Subramanian
Whole Time Director
DIN: 00088163

sd/-
K. A. Narayan
Director
DIN:00950589

sd/-
Srinivasan Ganapathy
Chief Financial Officer

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26.04.2017

J K Files (India) Limited

Statement of Changes in Equity for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	NOTES	Amount
As at 1st April 2015		**3,074.07**
Changes in Equity Share Capital during the year	**12**	-
As at 31st March 2016		**3,074.07**
Changes in Equity Share Capital during the year	**12**	-
As at 31st March 2017		**3,074.07**

B. Other Equity

Particulars	Note	Reserves and Surplus		Items of Other Comprehensive Income	Total
		Securities Premium Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	
Balance as at 1st April, 2015		**314.50**	**3,834.18**	-	**4,148.68**
Loss for the year		-	(406.76)	-	(406.76)
Other Comprehensive Income for the year		-	-	84.90	84.90
Total Comprehensive Income for the year		-	(406.76)	84.90	(321.86)
Balance as at 31st March, 2016		**314.50**	**3,427.42**	**84.90**	**3,826.82**
Balance as at 1st April, 2016		314.50	3,427.42	84.90	3,826.82
Loss for the year		-	(1,261.94)	-	(1,261.94)
Other Comprehensive Income for the year		-	-	(11.21)	(11.21)
Total Comprehensive Income for the year		-	(1,261.94)	(11.21)	(1,273.15)
Balance as at 31st March, 2017		**314.50**	**2,165.48**	**73.69**	**2,553.67**

Accompanying Notes form an integral part of financial statements **1 to 45**
As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26.04.2017

For and on behalf of the Board

sd/-
Ganesh Kumar Subramanian
Whole Time Director
DIN: 00088163

sd/-
K. A. Narayan
Director
DIN:00950589

sd/-
Srinivasan Ganapathy
Chief Financial Officer

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26.04.2017

Statement of Cash Flow for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

	Particulars	Notes	Year ended 31st March,2017		Year ended 31st March, 2016	
A.	**Cash Flow from Operating Activities**					
	Net Profit/(loss) before tax			(1,698.34)		(524.30)
	Adjustment for :					
	Depreciation and Amortisation Charge	**26**	972.44		1,022.75	
	(Profit)/Loss on sale of Plant & Equipment	**19**	(53.75)		(1.37)	
	Interest income classified as Investing Activities	**19**	(92.58)		(68.44)	
	Finance Charges	**25**	890.02		1,223.65	
	Excess Provision written back (Net)	**19**	(202.24)		(295.04)	
				1,513.89		1,881.56
	Changes in Operating Assets & Liabilities			(184.45)		1,357.26
	(Increase)/Decrease in Inventory	**10**	2,210.97		195.93	
	(Increase)/Decrease in Trade receivables	**5**	1,005.33		837.96	
	(Increase)/Decrease in Other Current Assets	**11**	454.22		457.78	
	(Increase)/Decrease in Loans	**7**	(50.55)		(58.00)	
	Increase/(Decrease) in Trade Payables and Liabilities	**16**	252.69		(108.28)	
				3,872.66		1,325.38
	Cash generated from Operations			3,688.21		2,682.65
	Add / (Deduct): Taxes (Paid)/ Refund (Net)			153.67		(45.90)
	Net Cash Inflow/(Outflow) from Operating Activities			**3,841.88**		**2,636.75**
B.	**Cash Flow from Investing Activities**					
	Payments for Property,Plant & Equipment			(233.63)		(570.67)
				746.61		12.79
	Interest received	**19**		92.58		68.44
	Net Cash Outflow from Investing Activities			**605.56**		**(489.45)**
C.	**Cash Flow from Financing Activities**					
	Repayment of Borrowings	***13,14***		(2,441.33)		(977.87)
	Interest Paid			(901.79)		(1,217.95)
	Net Cash Inflow from Financing Activities			**(3,343.12)**		**(2,195.82)**
	Net Increase in Cash and Cash Equivalents **(A+B+C)**			1,104.32		(48.52)
	Add :Cash and Cash Equivalents at the beginning of the financial Year			33.47		81.99
	Cash and Cash Equivalents as at the end of the Year	**6**		**1,137.79**		**33.47**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	Year ended 31st March,2017	Year ended 31st March, 2016
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	1,137.79	33.46
Balance as per Statement of Cash Flows	1,137.79	33.47

Accompanying Notes form an integral part of financial statements **1 to 45**
As per our attached report of even date

For and on behalf of the Board

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26.04.2017

sd/-
Ganesh Kumar Subramanian
Whole Time Director
DIN: 00088163

sd/-
K. A. Narayan
Director
DIN:00950589

sd/-
Srinivasan Ganapathy
Chief Financial Officer
Mumbai
Date: 26.04.2017

sd/-
Archana Panchal
Company Secretary

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

I. Background

JK Files(India) Limited incorporated in India having registered office at Mumbai and Corporate identification Number U27104MH1997PLC105955, operated with Manufacturing facility at Ratnagiri,Chiplun,Pitampur,Kolkatta and Vapi whereas Merchanting activities based at Thane.

II. Significant accounting policies

(a) Basis Of Preparation Of Financial Statements

(i) Compliance with Ind AS
These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules,2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the company prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:

1) Certain financial assets and liabilities that is measured at fair value;
2) Assets held for sale - measured at fair value less cost to sell;
3) Defined benefit plans - Plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Provision, contingent liabilities and Contingent Assets
Provisions: Provisions are recognised 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.

Contingent Assets: Contingent Assets are neither recognised or disclosed in the financial statements.

ii. Measurement of defined benefit obligations
The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at Cost less depreciation and impairment, if any.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 the Statement of Profit and Loss during the reporting period in which they are incurred.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method or written down value to allocate their cost, net of their residual values, over their estimated useful lives which are as follows:

Asset Category	Method of Depreciation/	Useful Life
Leasehold Land	Straight Line	62-80years
Factory Building	Straight Line	03-60years
Non Factory Building	Written Down Value	03-60years
Plant and Equipment	Straight Line	03-24years
Furniture and Fixture	Written Down Value	05-10years
Vehicles	Written Down Value	8years
Office Equipment	Written Down Value	05-10years
Computers	Straight Line	03-06years

Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery,based on an independent technical evaluation,has been estimated as 24 years (on a single shift basis) from the date of acquisition which is different from that prescribed in Schedule II of the Act.The residual values are not more than 5% of the original cost of the asset.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

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 or loss within other gains/ (losses).

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its property , plant and equipment recognized as at 1 April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(d) Intangible assets

(i) Goodwill

Goodwill on acquisitions are included in intangible assets.

Amortisation method

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(ii)Computer software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method

The Company amortizes Computer software with a useful life using the straight-line method over the period of 3 years.

(iii)Trademarks

Trademarks on acquisitions are included in intangible assets.

Amortisation method

The Company amortizes Trademarks with a useful life using the straight-line method over the period of 10 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Transition to Ind AS

On transition to Ind AS the company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(e) Lease

As a lessee

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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.

(g) Trade receivables

Trade receivables are recognised at the value of sales less provision for impairment.

(h) Inventories

Inventories of Raw Materials, Work-in-Progress, Packing Material, Stores and spares ,Finished Goods and Stock-in trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods if such Finished Goods are held for domestic sales. Cost formulae used are 'Weighted Average cost'. In case of finished goods includes appropriate production overheads and excise duty, wherever applicable. Fixed production overheads are recognised as part of the cost of inventories based on normal capacity. Normal capacity is the level of production that an entity expects to achieve on average over three years. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

(j) Investments and other financial assets

(i) 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 the Statement of 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 the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

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

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(j) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(k) Equity

Preference shares, which are Compulsory Convertible are classified as Equity. The Company will have option for redemption of the said shares at par.

(l) Trade 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 as per credit terms negotiated at time of Purchase Order. 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 and subsequently measured at amortised cost using the effective interest method.

(m) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(n) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

(o) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(p) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, Rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods
Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to the nominated transporter against valid LR, in case of export sales place when goods are shipped on-board based on Bill of lading.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Sale of Scrap
Revenue from sale of Scrap/Process Waste is recognised on basis of dispatch.

Revenue from services
Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives
Export Incentives under the "Merchandise Export From India Scheme(MEIS)",“Duty Draw back Scheme” etc. is accounted in the year of export.

(q) Employee benefits

Short Term Employee Benefits
All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Post Employment / Retirement Benefits
Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.
Defined Benefit Plans - The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised in other comprehensive income shall not be reclassified to the Statement of Profit and Loss in a subsequent period. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.
Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits
Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet date are discounted using the yield on Government Bonds.

(r) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(s) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. 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 excepted to apply when the related deferred income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company wil

(t) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 36).

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Dividends:
Declaration of dividend treated as event occurred after Balance Sheet date.

Note-2 Property, Plant and Equipment

	Land (Refer Notes below)		Buildings	Plant & Equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total	Capital Work in progress
	Freehold	Leasehold								
Gross carrying amount (Refer Note -33 & 41)	**769.08**	**413.23**	**1,589.85**	**4,653.62**	**101.22**	**24.46**	**20.18**	**53.67**	**7,625.31**	**309.74**
Additions	4.02	-	12.10	777.17	5.22	-	5.09	60.27	**863.87**	570.67
Disposals	50.00	-	-	11.26	-	-	0.10	0.66	**62.02**	-
Reclassification as held for sale	687.63	-	-	-	-	-	-	-	**687.63**	-
Transfers	-	-	-	-	-	-	-	-	-	(863.87)
Gross carrying amount as at 31st March 2016	35.47	413.23	1,601.95	5,419.53	106.44	24.46	25.17	113.28	7,739.53	16.54
Accumulated Depreciation										
Balance as at 1st April 2015	-	-	-	-	-	-	-	-	-	-
Additions	-	6.16	73.31	577.02	27.24	7.64	9.77	39.73	**740.87**	-
Disposals	-	-	-	0.39	-	-	-	0.21	**0.60**	-
Accumulated Depreciation as at 31st March 2016	-	6.16	73.31	576.63	27.24	7.64	9.77	39.52	**740.27**	-
Net carrying amount										
Balance as at 1st April 2015	**769.08**	**413.23**	**1,589.85**	**4,653.62**	**101.22**	**24.46**	**20.18**	**53.67**	**7,625.31**	**309.74**
Balance as at 31st March 2016	35.47	407.07	**1,528.64**	**4,842.90**	79.20	**16.82**	15.40	73.76	**6,999.26**	16.54
Gross carrying amount										
Balance as at 1st April 2016	**35.47**	**413.23**	**1,601.95**	**5,419.53**	**106.44**	**24.46**	**25.17**	**113.28**	7,739.53	16.54
Additions	-	-	1.20	181.61	5.93	-	3.72	18.72	**211.18**	233.63
Disposals	-	-	-	4.36	-	0.78	0.19	0.32	**5.65**	-
Transfers	-	-	-	-	-	-	-	-	-	(211.18)
Gross carrying amount as at 31st March 2017	**35.47**	**413.23**	**1,603.15**	**5,596.78**	**112.37**	**23.68**	**28.70**	**131.68**	**7,945.06**	**38.99**
Accumulated Depreciation										
Balance as at 31st March 2016	-	**6.16**	**73.31**	**576.63**	**27.24**	**7.64**	**9.77**	**39.52**	740.27	-
Additions	-	6.16	85.60	556.12	22.35	5.17	7.67	37.54	**720.61**	-
Disposals	-	-	-	0.23	-	0.16	0.03	-	**0.42**	-
Accumulated Depreciation as at 31st March 2017	-	**12.32**	**158.91**	**1,132.52**	**49.59**	**12.65**	**17.41**	**77.06**	**1,460.46**	
Net Block										
Balance as at 31st March 2016	**35.47**	**407.07**	**1,528.64**	**4,842.90**	**79.20**	**16.82**	**15.40**	**73.76**	**6,999.26**	**16.54**
Balance as at 31st March 2017	**35.47**	**400.91**	**1,444.24**	**4,464.26**	**62.78**	**11.03**	**11.29**	**54.62**	**6,484.60**	**38.99**

NOTE:

1) Lease Deeds of Land of Chiplun Plant of Rs 139.19 Lakh (31 March 2016-Rs 141.18 lakh,1st April-15 Rs 143.18Lakh)are under process of of execution in the name of the Company.
2) Lesehold land under varying lease arrangement commencing 1978 for period ranging 90-99 years
3) Capital work in progress reprsents machineries under installations.
4) Depreciation expense includes Rs 18.15 Lakh (31st March-2016 Rs 31 lakh) towards impairment of Plant and Equipment/Capital Work In Progress.

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-3 Intangible assets

	Computer Software	Brands /trademarks	Total	Goodwill
Gross carrying amount (Refer Note - 41)				
Balance as at 1st April 2015	34.04	1,125.00	**1,159.04**	**79.41**
Additions	-	-	-	-
Disposals	-	-	-	-
Gross Carrying amount as at 31st March 2016	34.04	1,125.00	**1,159.04**	**79.41**
Accumulated Amortisation				
Additions	31.89	250.00	**281.89**	-
Disposals	-	-	-	-
Accumulated Amortisation as at 31st March 2016	**31.89**	**250.00**	**281.89**	-
Net carrying amount				
Balance as at 1st April 2015	**34.04**	**1,125.00**	**1,159.04**	**79.41**
Balance as at 31st March 2016	**2.15**	**875.00**	**877.15**	**79.41**
Gross carrying amount				
Balance as at 31st March 2016	34.04	1,125.00	**1,159.04**	**79.41**
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31st March 2017	34.04	1,125.00	**1,159.04**	**79.41**
Accumulated Amortisation				
Balance as at 31st March 2016	31.89	250.00	**281.89**	-
Additions	1.82	250.00	**251.82**	-
Disposals	-	-	-	-
Accumulated Amortisation as at 31st March 2017	**33.71**	**500.00**	**533.71**	-
Net carrying amount				
Balance as at 31st March 2016	**2.15**	**875.00**	**877.15**	**79.41**
Balance as at 31st March 2017	**0.33**	**625.00**	**625.33**	**79.41**

Note-4 Investments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment in Subsidiaries			
Carrying cost (Refer note -41)			
Unquoted			
JK Talabot Ltd (Holding - 90%)			
72,48,935 Nos- Equity Shares of Rs.10 each	724.89	724.89	724.89
Total	**724.89**	**724.89**	**724.89**

Note-5 Trade receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Considered good			
Outstanding for a period exceeding six months from the date they are due for payment			
Secured			
Other parties	48.49	90.03	37.36
Unsecured			
Other parties	178.73	29.84	37.67
Outstanding for a period less than six months from the date they are due for payment			
Secured			
Other parties	526.05	439.67	472.33
Unsecured			
Related parties	-	19.17	96.22
Other parties	4,923.30	6,103.18	6,876.26
Considered doubtful			
Outstanding for a period exceeding six months from the date they are due for payment			
Other parties	314.01	146.96	159.62
Less: Allowance for bad and doubtful debts	(314.01)	(146.96)	(159.62)
Total	**5,676.56**	**6,681.89**	**7,519.84**

* Secured against corresponding Deposits of Rs 574.54 Lakhs(Rs 529.70 lakhs)

Refer **Note-37** for information about Credit risk,Market Risk and Liquidity risk of Trade Receivable.

Note-6 Cash and cash equivalents

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	3.55	6.05	4.28
Cheques, drafts on hand	26.26	0.19	-
Balances with Banks			
In current accounts	507.91	27.22	77.71
Term deposits with original maturity of less than three months	600.07	-	-
Total	**1,137.79**	**33.46**	**81.99**

Note-7 Loans
(Unsecured, considered good unless otherwise stated)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Loans/Advances to related parties	44.16	56.64	-
Loans to employees	5.16	8.63	7.28
Loans to Ancilliaries	66.51	-	-
Total	**115.83**	**65.28**	**7.28**

Note-8(1) Other financial assets
(Unsecured unless otherwise stated)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.Non-current			
Considered good			
Security Deposits			
Deposits with others	145.29	167.35	167.39
Margin money deposits/Fixed Deposit Govt Authorities	1.01	-	5.89
Non-current total (A)	**146.30**	**167.35**	**173.28**
B.Current			
Considered good			
Deposits with others	4.45	24.28	24.53
Derivative financial instruments	5.39	-	23.74
Other assets	3.96	4.20	-
Current total (B)	**13.81**	**28.47**	**48.27**
Total (A+B)	**160.11**	**195.82**	**221.55**

Note-8(2) Non Current Assets Classsified as Held for Sale

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Freehold Land	-	687.63	-
Total	**-**	**687.63**	**-**

In 2015-16, the Board in view of current market situation and looking at options available in near future to meet market demand had decided to sale out its land which was originally acquired for an expansion in Production Capacity of Unit. The sale has completed in the month of March-2017.

Note-9 Other non-current assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	8.99	22.51	52.71
Balance/Deposits with customs, port trust, excise and other govt. authorities	231.73	306.65	298.35
Total	**240.72**	**329.16**	**351.06**

Note-10 Inventories

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	562.95	568.51	628.05
Raw Materials - In Transit	9.05	13.40	41.67
Work-in-progress	320.69	331.91	770.49
Work-in-progress - In Transit	5.36	20.03	39.00
Finished goods	1,497.01	3,110.66	2,928.80
Finished goods - In Transit	17.21	66.03	13.85
Stock-in-trade	575.91	1,044.90	880.97
Stock-in-trade - In Transit	26.33	17.97	15.59
Stores and Spares	342.80	394.54	446.05
Stores and Spares - In Transit	0.93	1.27	0.67
Total	**3,358.24**	**5,569.22**	**5,765.14**

(a) Write down of Inventories to Net Realisable Value amounted to Rs 585.12 lakh-Written Down (31st March 2016- Rs 234.49 lakh-Written down reversed,1st April 2015- Rs 540.43 lakh-Written Down) based on Management Inventory Policy -Non Moving Inventory.These were recognised as an expense during the year and included in "Changes in value of Inventory of Work-in-Process","Stock in Trade" and "finished goods" in Statement of Profit and Loss.

Note-11 Other current assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Export benefit receivables	276.90	414.75	628.83
VAT Credit Receivable	1.78	5.06	-
CENVAT Receivable/Excise Duty Refund	297.12	434.81	534.37
Advances to Suppliers	81.70	148.27	258.46
Deposits with customs, port trust, excise and other govt. authorities	67.28	54.73	51.45
Prepaid expenses	90.12	74.25	85.62
Other advances	33.03	46.12	29.49
Total	**847.93**	**1,178.00**	**1,588.14**

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-12 Equity Share capital

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
1,70,00,000 Nos [31st March, 2016: 1,70,00,000 Nos and 1st April, 2015: 1,70,00,000 Nos] Equity Shares of Rs. 10 each	1,700.00	1,700.00	1,700.00
22,00,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each	2,200.00	2,200.00	2,200.00
(31st march,2016:22,00,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each)			
(1st April,2015: 22,00,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each)			
Issued, subscribed and fully paid up			
87,40,658 Nos [31st March, 2016: 87,40,658 Nos and 1st April, 2015: 87,40,658 Nos] Equity Shares of Rs. 10 each	874.07	874.07	874.07
22,00,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each	2,200.00	2,200.00	2,200.00
(31st march,2016:22,00,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each)			
(1st April,2015: 22,00,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each)			
	3,074.07	**3,074.07**	**3,074.07**

The terms of Preference Shares are as under:

-22,00,000 9% Non-Cumulative Compulsory Covertible Preference shares of Rs.100 each convertible into 18,33,300 number of equity shares of Face value of Rs.10 each with Rs 20,16,67,000 as premium.

-The Company has an option of redemption of the said shares at par.

-The Preference shares are to be convertible into equity shares on October 27,2029, at the option of the company ,from the date of issue and within the time prescribed in the Companies Act,2013.

a) Reconciliation of number of shares

PARTICULARS	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year	87,40,658	874.07	87,40,658	874.07	87,40,658	874.07
Add: Shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	**87,40,658**	**874.07**	**87,40,658**	**874.07**	**87,40,658**	**874.07**
Preference Shares :						
Balance as at the beginning of the year	22,00,000	2,200	22,00,000	2,200	22,00,000	2,200
Add: Shares issued during the year						
Balance as at the end of the year	**22,00,000**	**2,200**	**22,00,000**	**2,200**	**22,00,000**	**2,200**

b) Shares held by Parent

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares of Rs. 10 held by:			
Raymond Limited jointly held with others	87,40,658	87,40,658	87,40,658
Preference Shares of Rs. 100 held by:			
Raymond Limited	22,00,000	22,00,000	22,00,000

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

NAME OF SHAREHOLDERS	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares :						
Raymond Limited (includes 70 Shares jointly held with others)	87,40,658	100%	87,40,658	100%	87,40,658	100%
Preference Shares :						
Raymond Limited	22,00,000	100%	22,00,000	100%	22,00,000	100%

d) Right, Preference and Restrictions attached to Equity Shares :

The Company has only one class of equity shares having par value of Rs.10 per share. Each Shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) During the period of five years immediately preceeding the date as at which the balance sheet is prepared has not,

i) Issued any bonus shares
ii) Bought back any shares
iii) Issued any share persuant to contract without payment being received in cash.

(All amounts are in Rs. Lakh, unless stated otherwise)

Note 13 - Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Term loans			
From banks	1,130.30	2,076.86	3,081.49
Term loan			
From Axis Bank			
(Payable in 16 quarterly installments w.e.f. 24th Sep, 2013. Interest payable @ 12.25% p.a. (Previous year 12.90% p.a.)and secured by first pari passu charge on the identifiable movable fixed assets funded out of this term loan). Maturity Date- 30-06-2017	-	67.49	517.49
From Axis Bank			
(Payable in 16 quarterly installments w.e.f. 30th June, 2016. Interest payable @ 10.90% p.a. (31st March 2016:11.55%) and secured by first pari passu charge by the way of hypothecation of the entire movable fixed assets borrower, both present and future , situated at Chiplun, Ratnagiri, Kolkata, Pithampur and Hyderabad) Maturity Date- 30-06-2019	505.30	759.38	689.00
From ICICI Bank			
(Payable in 16 quarterly installments w.e.f. 30th June, 2015. Interest payable @ 10.90% p.a. (31st March 2016:11.55% p.a) and secured by first charge by way hypothecation of the entire Immovable/movable fixed assets both present & future situated at Chiplun, Ratnagiri, Kolkata, Pithampur and any other location as may be subsequently specified by ICICI Bank and first charge by way of mortgage of free hold immovable property located at Kolkata.) Maturity Date- 31-03-2019	625.00	1,250.00	1,875.00
	1,130.30	2,076.86	3,081.49
Unsecured			
(a) Term loans			
From Others - Raymond Ltd	3,427.82	3,427.82	3,427.82
Repayable on 30th September, 2018, interest payable @ 10.50% p.a. (31st March 2016:10.50% p.a.)			
	3,427.82	3,427.82	3,427.82
Total	**4,558.12**	**5,504.68**	**6,509.31**

Note 14 - Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
(a) Loans repayable on demand from banks	2,038.14	3,146.79	3,373.16
Working Capital Facilities			
- In foreign currency	-	-	312.50
(At Nil for ForeignCurrency Packing Credit (31st March 2016: 1.36% p.a.) secured by way of General Charge on Current Assets and Confirmed Export Orders.)			
- In Indian Rupees (Cash Credit)	838.14	1,646.79	3,060.66
10.20-12.75 % p.a. (31st March 2016:12.00-13.00% p.a.) for Rupee Working Capital and secured by way of General Charge on Current Assets)			
- In Indian Rupees (Packing credit)	1,200.00	1,500.00	-
6.35-6.50 % p.a. (31st march 2016: Nil) for Rupee Packing Credit and secured by way of General Charge on Current Assets and Confirmed Export Orders)			
Total	**2,038.14**	**3,146.79**	**3,373.16**

Refer **Note-37** for information about Liquidity risk & Market risk of Borrowings

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note 15-Other Current liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance from customers	203.50	137.01	138.51
Advance against Sale of Land	-	50.00	-
Statutory Dues	529.95	571.10	563.14
Total	**733.45**	**758.11**	**701.65**

Note 16 - Trade payables**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables			
Amounts due to related parties	169.26	44.72	93.91
Others	5,316.37	5,283.86	5,761.76
Total	**5,485.64**	**5,328.58**	**5,855.66**

Refer **Note-37** for information about Credit risk,Market Risk and Liquidity risk of Trade Payable.

****Dues to micro and small enterprises the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Current	Current	Current
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	Nil	Nil	Nil
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil	Nil
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	Nil	Nil	Nil
Further interest remaining due and payable for earlier years	Nil	Nil	Nil

Note-17(1)- Provisions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Provision for employee benefits	354.16	247.17	204.75
Total	**354.16**	**247.17**	**204.75**

Note-17(2)- Other financial liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
(a) Current maturities of long-term debt	942.00	1,328.13	1,075.00
(b) Interest accrued but not due on borrowings	7.36	19.13	13.42
(c) Derivative financial instruments	-	13.82	-
(d) Payable towards Capital Expenditures	47.61	267.78	327.00
(e) Dealer Deposit	574.54	529.70	509.69
(f) Other payables	1.80	1.55	1.30
	1,573.30	**2,160.11**	**1,926.42**

Refer **Note-37** for information about Liquidity risk of Fiancial Liabilities

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-18 Revenue from Operations

	Year ended 31st March,2017	Year ended 31st March, 2016
Sale of Products		
(i) Manufactured goods	28,457.26	32,343.54
(ii) Stock-in trade	6,013.34	6,363.09
Other operating revenue		
(i) Export Incentives, etc	551.27	602.95
(ii) Process waste sale	388.34	640.42
Total	**35,410.21**	**39,949.99**

Note-19 Other income

	Year ended 31st March,2017	Year ended 31st March, 2016
Interest income	92.58	68.44
Exchange Fluctuation - Gain	-	154.84
Rent and compensation	1.06	0.93
Provision no longer required	202.24	295.04
Other non-operating income	9.24	29.80
Net surplus on disposal of Fixed Assets	53.75	1.37
Total	**358.87**	**550.41**

Note-20 Cost of materials consumed

	Year ended 31st March,2017	Year ended 31st March, 2016
Raw materials consumed		
Opening Stock	581.91	669.72
Purchases	7,349.79	9,743.71
Less : Closing Stock	572.00	581.91
	7,359.70	9,831.52
Total	**7,359.70**	**9,831.52**

Note-21 Purchases of Stock-in-Trade

	Year ended 31st March,2017	Year ended 31st March, 2016
Purchases of Stock-in-Trade	4,466.94	5,540.77
Total	**4,466.94**	**5,540.77**

Note-22 Changes in inventories of Finished goods (including Stock-in-trade) and Work-in-progress

	Year ended 31st March,2017	Year ended 31st March, 2016
Opening inventories		
Finished goods	3,176.69	2,942.65
Work-in-progress	351.94	809.49
Stock-in-trade	1,062.87	896.56
	4,591.50	**4,648.71**
Closing inventories		
Finished goods	1,514.22	3,176.69
Work-in-progress	326.05	351.94
Stock-in-trade	602.24	1,062.87
	2,442.52	**4,591.50**
Excise duty on increase/ (decrease) of finished goods	(76.73)	(3.75)
Total	**2,072.25**	**53.45**

Note-23 Manufacturing and Operating Costs

	Year ended 31st March,2017	Year ended 31st March, 2016
Consumption of stores and spare parts	2,536.38	3,180.27
Power and fuel	1,726.20	2,219.45
Job work charges	1,750.40	2,065.90
Repairs to buildings	72.06	72.53
Repairs to machinery	253.68	298.56
Excise duty	1,914.73	2,445.67
Other Manufacturing and Operating expenses	1,290.99	1,229.23
Total	9,544.44	11,511.61

JK Files India Ltd
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-24 Employee benefits expense

	Year ended 31st March,2017	Year ended 31st March, 2016
Salaries and wages	5,806.67	5,813.93
Defined benefit plan expense (**Refer note-29**)	115.25	113.26
Contribution to provident funds and other funds	423.64	438.27
Workmen and Staff welfare expenses	346.80	386.30
Total	**6,692.35**	**6,751.77**

Note-25 Finance costs

	Year ended 31st March,2017	Year ended 31st March, 2016
Interest expense on Term Loans	313.41	447.37
Interest expense on bank overdraft/ short term borrowings	110.87	108.89
Interest expenses on Other loans/deposits	465.74	653.35
Net Loss on foreign currency transactions and translation	-	14.04
Total	**890.02**	**1,223.65**

Note-26 Depreciation and amortization expense

	Year ended 31st March,2017	Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment	720.62	740.87
Amortization on Intangible assets	251.82	281.88
Total	**972.44**	**1,022.75**

Note-27 Other expenses

	Year ended 31st March,2017	Year ended 31st March, 2016
Rent (Refer **Note- 31**)	333.54	341.81
Lease Rentals	2.12	2.11
Insurance	109.42	94.70
Repairs & Maintainence Others	78.72	136.18
Rates and Taxes	35.81	8.68
Advertisement Expenses	77.40	101.21
Commission to selling agents	967.95	1,155.32
Freight, Octroi, etc	781.78	984.95
Legal and Professional Expenses	443.99	378.57
IT outsourced Support Services	179.32	169.79
Travelling & Conveyance	412.10	379.59
Sales Promotion expenses	216.34	304.85
Facility Charges	480.00	480.00
Exchange Fluctuation - Others	41.59	-
Corporate Social Responsibilty	-	20.41
Provision for Bad and Doubtful Debts	172.56	-
Bad Debts written off	5.51	12.66
Less: Provision for Bad & Doubtful Debts	(5.51)	(12.66)
Software Expenses	41.59	22.28
Security Charges	107.08	108.14
Communication & Stationery Expenses	135.62	128.22
Staff Training & Recruitment	190.19	74.21
Motor Car Expenses	67.90	75.91
Miscellaneous Expenses	216.51	207.13
Total	**5,091.53**	**5,174.06**

JK Files India Ltd
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note 28: Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March,2017	Year ended 31 March, 2016
Current tax		
Current year	-	-
Adjustments for prior periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary difference	(359.43)	(187.53)
Change in tax rates	(59.83)	(14.91)
Total deferred income tax expense/(credit)	**(419.26)**	**(202.44)**
Total income tax expense/(credit)	**(419.26)**	**(202.44)**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	Year ended 31st March,2017	Year ended 31st March, 2016
Profit /(loss) before tax	**(1,681.20)**	**(609.20)**
Enacted income tax rate in India	**34.61%**	**30.90%**
Computed Expected Tax Expense	**(581.83)**	**(188.24)**
Tax at India Income Tax Rate		
Differences due to:		
Depreciation on Revalued amount	169.53	151.36
Expenses not deductible for tax purposes/not claimed earlier	(6.95)	-
Others	-	165.55
Tax Expense Recognised in Statement of Profit and Loss	**(419.25)**	**(202.43)**

The effective tax rate was 24.94% (2015-16: 33.23%).

The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

Movement during the year ended March 31, 2016 and March 31,2017	As at 1st April, 2015	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2017
Deferred tax assets/(liabilities)							
Provision for post retirement benefits and other employee benefits	11.94	55.73	-	67.67	24.82	5.93	98.42
Provision for doubtful debts and advances	30.12	15.29	-	45.41	63.26	-	108.67
VRS paid	140.20	-73.45	-	66.75	64.92	-	131.67
Differences in written down value of fixed assets	-273.35	55.60	-	-217.75	-74.01	-	-291.76
Unabsorbed business loss*	-	-	-	-	146.72	-	146.72
Unabsorbed depreciation*	31.21	144.41	-	175.62	191.61	-	367.23
Rent Equalisation	6.52	4.85	-	11.37	1.93	-	13.30
Total	**-53.36**	**202.43**	**-**	**149.07**	**419.25**	**5.93**	**574.25**

*** recognised based on available sufficient taxable profits in future years**

Note 29: Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2017, 2016 and 1st April, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

	Defined benefit plans		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Present value of plan liabilities	(2,300.80)	(2,421.76)	(2,414.90)
Fair value of plan assets	2,181.06	2,394.49	2414.90
Plan liability net of plan assets	-119.75	-27.27	0.00
Of which in respect of:			
Funded plans in surplus:			
Plan liabilities	-	-	-
Plan assets	-	-	-
Plan assets net of plan liabilities	-	-	-
Funded plans in deficit:			
Plan liabilities	-	-	-
Plan assets	-	-	-
Plan liability net of plan assets	-	-	-

B. Movements in plan assets and plan liabilities

	As at 31st March, 2017			As at 31st March, 2016		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	**2,394.49**	**(2,421.76)**	**(27.27)**	**2414.90**	**(2,414.90)**	**0.00**
Current service cost	-	(113.99)	(113.99)	-	(114.25)	(114.25)
Employee contributions	-	-	-	-	-	-
Return on plan assets excluding amounts included in net	(37.38)	-	(37.38)	-	-	-
Finance income/cost	-	-	-	-		-
Interest cost	-	(194.95)	(194.95)	-	(188.36)	(188.36)
Interest income	193.69	-	193.69	189.35	-	189.35
Actuarial gain/(loss) arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial gain/(loss) arising from changes in financial assumptions	-	(49.05)	(49.05)	(23.78)	39.54	15.76
Actuarial gain/(loss) arising from experience adjustments	-	69.28	69.28	-	69.14	69.14
Employer contributions	39.92	-	39.92	1.09	-	1.09
Benefit payments	(409.67)	409.67	-	(187.07)	187.07	-
As at 31st March	**2,181.06**	**(2,300.80)**	**(92.48)**	**2,394.49**	**(2,421.76)**	**(27.27)**

The liabilities are split between different categories of plan participants as follows:
• Active members -1618 Nos. (2015-16: 1760 Nos.)
The weighted average duration of the defined benefit plans is 11 years (2015-16 : 11 Years)
The Company expects to contribute Rs. 222.17 lakhs to the funded plans in financial year 2017-18

C. Statement of Profit and Loss

	Year ended 31st March,2017	Year ended 31st March, 2016
Employee Benefit Expenses:		
Current service cost	113.99	114.25
Total	**113.99**	**114.25**
Finance cost/(income)	1.26	-
Net impact on the Profit / (Loss) before tax	**115.25**	**114.25**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(37.38)	-
Actuarial gains/(losses) arising from changes in demographic	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	(49.05)	(15.76)

Actuarial gain/(loss) arising from experience adjustments	69.28	(69.14)
Net impact on the Other Comprehensive Income before tax	**(17.15)**	**(84.90)**

D. Assets

	Defined benefit plans		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Others- Insurance Fund	2,181.06	2,394.49	2,414.90
Total	**2,181.06**	**2,394.49**	**2,414.90**

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assumptions			
Discount rate	7.72%	8.05%	7.08%
Salary Escalation Rate	7.50%	7.50%	7.50%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table Mortality in Retirement : LIC Buy-out Annuity Rates & UK Published PA (90) Annuity Rates suitably adjusted for Indian Lives.

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

		As at 31st March, 2017		As at 31st March, 2016	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(143.52)	159.86	(147.90)	164.95
Salary Escalation Rate	1%	158.65	(145.08)	164.23	(149.93)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

Year ending 31 March,	Defined benefit obligation
2018	169.94
2019	86.69
2020	178.27
2021	216.39
2022	202.94
Thereafter	1601.71

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-30 Payment to Auditors:

	Year ended 31st March,2017	Year ended 31st March, 2016
(i) for audit fees	7.50	7.50
(ii) for other services (certification work)	4.47	5.27
(iii) for reimbursement of expenses	1.77	1.19
Total	**13.74**	**13.96**

Note-31 Lease

	Year ended 31st March,2017	Year ended 31st March, 2016
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	293.17	179.96
For a period later than one year and not later than five years	352.19	349.32
For period later than five year	-	-

Note-32 Earnings per share

	Year ended 31st March,2017	Year ended 31st March, 2016
(Loss) for the year before Exceptional Item	(912.56)	(321.86)
Add: Exceptional item -Voluntary Retirement Scheme	(360.59)	-
(Loss) for the year after Exceptional Item	(1,273.15)	(321.86)
Weighted average number of equity shares outstanding	87,40,658.00	87,40,658.00
Earnings Per Share (Rs.) -Basic & Diluted before Exceptional Item	(10.44)	(3.68)
Earnings Per Share (Rs.) -Basic & Diluted after Exceptional Item	(14.57)	(3.68)

The effects of anti-dilutive potential equity shares (on account of Non- Cumulative Convertible Preference Shares) are ignored while calculating diluted EPS.

Note 33 :Assets given as security

The carrying amounts of Assets given as Security for Current and Non-Current Borrowings are:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets			
Financial Assets			
Pari passu Charge			
Trade receivables	5,676.56	6,681.89	7,519.84
Inventories	3,358.24	5,569.22	5,765.14
Cash and cash equivalents	1,137.79	33.46	81.99
Loans	115.83	65.28	7.28
Others financial asset	13.81	28.47	48.27
Other current assets	847.93	1,178.00	1,588.14
Total Current assets given as security	**11,150.16**	**13,556.31**	**15,010.67**
Non Current Assets			
First Charge			
Land	35.47	35.47	35.47
Building	1,444.24	1,528.64	1,589.85
Furniture, fittings and equipment & Other Movable assets	139.72	185.18	199.53
Plant and Machinary	4,464.26	4,842.90	4,653.62
Total Non-Current Assets given as Security	**6,083.69**	**6,592.19**	**6,478.47**
Total Assets given as security	**17,233.86**	**20,148.50**	**21,489.14**

Note 34: Contingent liabilities and commitments (to the extent not provided for)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
i)	**Contingent Liabilities**			
	(a) Claims against the Company not acknowledged as debts in respect of past			
	Disputed Sales Tax Matters (Excluding interest, if any)	479.53	78.93	78.46
	Disputed Excise Matters	120.38	99.31	159.57
	Disputed Income Tax Matters	111.94	63.06	45.75
	Disputed ESIC Matters	10.12	5.61	5.61
	Disputed Labour Matters	150.47	52.31	125.11
	Other Disputed Labour Matters	Unascertainable	Unascertainable	Unascertainable
	Arrears of dividend on Preference shares (Including Dividend Distribution Tax)	-	171.59	171.59
		872.44	**470.81**	**586.09**

Note 35: Commitments

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Property, plant and equipment	**44.02**	**45.33**	**208.74**
	44.02	**45.33**	**208.74**
Less: Capital advances	8.98	22.51	52.71
Net Capital commitments	35.04	22.82	156.03

JK Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-36- Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				at cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investment																	
- Equity instruments	724.89	-	724.89	-	-	-	-	-	-	-	-	-	-	-	-	724.89	724.89
	724.89	**-**	**724.89**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**724.89**	**724.89**
Other Assets																	
Loans	-	115.83	115.83	-	-	-	-	-	-	-	-	-	-	115.83	115.83	-	115.83
Other Financial Assets	146.30	13.81	160.11	-	-	-	-	-	-	-	-	-	-	160.11	160.11	-	160.11
Trade receivable	-	5,676.56	5,676.56	-	-	-	-	-	-	-	-	-	-	5,676.56	5,676.56	-	5,676.56
Cash and Cash Equivalents	-	1,137.79	1,137.79	-	-	-	-	-	-	-	-	-	-	1,137.79	1,137.79	-	1,137.79
	871.19	**6,943.98**	**7,815.17**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,090.28**	**7,090.28**		**7,815.17**
	4,558.12	2,038.14	6,596.26	-	-	-	-	-	-	-	-	-	-	6,596.26	6,596.26		6,596.26
Other Financial Liabilities	-	1,573.30	1,573.30	-	-	-	-	-	-	-	-	-	-	1,573.30	1,573.30		1,573.30
Trade Payables	-	5,485.64	5,485.64	-	-	-	-	-	-	-	-	-	-	5,485.64	5,485.64		5,485.64
	4,558.12	**9,097.09**	**13,655.20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13,655.20**	**13,655.20**		**13,655.20**

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				at cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investment																	
- Equity instruments	724.89	-	724.89	-	-	-	-	-	-	-	-	-	-	-	-	724.89	724.89
			-				-				-				-	-	-
	724.89	-	724.89	-	-	-	-	-	-	-	-	-	-	-	-	**724.89**	**724.89**
Other Assets																	
Loans	-	65.28	65.28	-	-	-	-	-	-	-	-	-	-	65.28	65.28	-	65.28
Other Financial Assets	167.35	28.47	195.82	-	-	-	-	-	-	-	-	-	-	195.82	195.82	-	195.82
Trade receivable	-	6,681.89	6,681.89	-	-	-	-	-	-	-	-	-	-	6,681.89	6,681.89	-	6,681.89
Cash and Cash Equivalents	-	33.46	33.46	-	-	-	-	-	-	-	-	-	-	33.46	33.46	-	33.46
	892.24	**6,809.09**	**7,701.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,976.44**	**6,976.44**	**-**	**7,701.33**
Financial Liabilities																	
Borrowings	5,504.68	3,146.79	8,651.47	-	-	-	-	-	-	-	-	-	-	8,651.47	8,651.47	-	8,651.47
Other Financial Liabilities	-	2,160.11	2,160.11	-	-	-	-	-	-	-	-	-	-	2,160.11	2,160.11	-	2,160.11
Trade Payables	-	5,328.58	5,328.58	-	-	-	-	-	-	-	-	-	-	5,328.58	5,328.58	-	5,328.58
	5,504.68	**10,635.48**	**16,140.16**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16,140.16**	**16,140.16**	**-**	**16,140.16**

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				at cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets																	
Investment																	
- Equity instruments	724.89	-	724.89	-	-	-	-	-	-	-	-	-	-	-	-	724.89	724.89

(All amounts are in Rs. Lakh, unless stated otherwise)

			-				-				-				-	-	-
	724.89	-	724.89	-	-	-	-	-	-	-	-	-	-	-	-	**724.89**	**724.89**
Other Assets																	
Loans	-	7.28	7.28	-	-	-	-	-	-	-	-	-	-	7.28	7.28	-	7.28
Other Financial Assets	173.28	48.27	221.55	-	-	-	-	-	-	-	-	-	-	221.55	221.55	-	221.55
Trade receivable	-	7,519.84	7,519.84	-	-	-	-	-	-	-	-	-	-	7,519.84	7,519.84	-	7,519.84
Cash and Cash Equivalents	-	81.99	81.99	-	-	-	-	-	-	-	-	-	-	81.99	81.99	-	81.99
	898.17	**7,657.38**	**8,555.55**	-	-	-	-	-	-	-	-	-	-	**7,830.66**	**7,830.66**	-	**8,555.55**
Financial Liabilities																	
Borrowings	6,509.31	3,373.16	9,882.47	-	-	-	-	-	-	-	-	-	-	9,882.47	9,882.47	-	9,882.47
Other Financial Liabilities	-	1,926.42	1,926.42	-	-	-	-	-	-	-	-	-	-	1,926.42	1,926.42	-	1,926.42
Trade Payables	-	5,855.66	5,855.66	-	-	-	-	-	-	-	-	-	-	5,855.66	5,855.66	-	5,855.66
	6,509.31	**11,155.24**	**17,664.55**	-	-	-	-	-	-	-	-	-	-	**17,664.55**	**17,664.55**	-	**17,664.55**

	As at 31st March'2017		As at 31st March'2016		As at 1st April'2015	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Investments						
Equity instruments*	724.89	724.89	724.89	724.89	724.89	724.89
Loans	115.83	115.83	65.28	65.28	7.28	7.28
Other Financial Assets**	160.11	-	195.82	-	221.55	-
	1,000.83	**840.72**	**985.99**	**790.17**	**953.72**	**732.17**
Financial Liabilities						
Borrowings	6,596.26	-	8,651.47	-	9,882.47	-
Other Financial Liabilities	1,573.30	-	2,160.11	-	1,926.42	-
	8,169.57	-	**10,811.58**	-	**11,808.89**	

* Carrying at Cost

** Excluding Margin money deposits and Term deposits.

Note:-

Listed Financial assets and Financial liabilities, considering the nature of rights and obligations with relevant terms including payable within 12 months from the reporting date, fair value is reasonable considered to be carrying amount as at reporting date.

- Trade Receivables
- Cash and Cash equivalents, other Bank balances incldiung non current deposits.
- Trade Payables, salary payables including payable related to capital goods
- Deposits from dealers

JK Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
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Note-37-Risk Management

Financial risk management objectives and policies

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Companys financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Borrowings bearing variable rate of interest	4,110.44	6,551.78	7,529.65

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

	2016-2017	2015-2016
50 bp increase- decrease in profits	(20.55)	(32.76)
50 bp decrease- Increase in profits	20.55	32.76

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by Forward Contracts purchasing of goods, commodities and services in the respective currencies.

Foreign Currency Risk Sensitivity (Refer Note -38)

A change of 1% in Foreign currency would have following Impact on profit before tax

	2016-2017		2015-2016	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	19.05	(19.05)	15.30	-15.30
EURO	3.60	(3.60)	0.47	-0.47
GBP	0.04	(0.04)	0.02	-0.02
CHF	-	-		-
Increase / (Decrease) in Profit or loss	22.69	(22.69)	15.79	(15.79)

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customs, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable as provision when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been provided, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

JK Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)
Ageing of Account receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Not due	4,260.71	5,065.32	6,676.09
0-3 months	1,152.22	1,431.30	670.50
3-6 months	36.41	65.40	98.22
6 months to 12 months	208.89	70.70	41.70
beyond 12 months	18.33	49.17	33.33
Total	**5,676.56**	**6,681.89**	**7,519.84**

Movement in provisions of doubtful debts

	As at 31st March, 2017	As at 31st March, 2016
Opening provision	146.96	159.62
Add:- Additional provision made	172.56	-
Less:- Provision write off/ reversed	-	-
Less:- Provision utilised against bad debts	(5.51)	(12.66)
Closing provisions	314.01	146.96

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Variable Borrowing -Cash Credit expires within 1 year	2461.86	1,353.21	1,126.84

Maturity patterns of borrowings

	As at 31st March, 2017				As at 31st March, 2016				As at 1st April, 2015			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long Term debt)	942.00	4,558.12	-	5,500.12	1,328.13	5,504.68	-	6,832.81	1,075.00	6,509.31	-	7,584.31
Short term borrowings	2,038.14	-	-	2,038.14	3,146.79	-	-	3,146.79	3,373.16	-	-	3,373.16
Expected Interest payable	653.72	282.41			802.93	823.37		1,626.30	928.04	1,500.03		2,428.07
Total	**3,633.86**	**4,840.53**	-	7,538.26	5,277.85	**6,328.05**	-	**11,605.90**	**5,376.20**	**8,009.34**	-	**13,385.54**

Maturity patterns of other Financial Liabilities

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
As at 31st March 2017						
Trade Payable	623.16	1640.38	130.32	3091.78	-	5,485.64
Payable related to Capital goods	19.95	27.65	-	-	-	47.61
Other Financial liability (Current and Non Current)	-	7.36	-	-	576.34	583.70
						-
Total	643.11	1,675.39	130.32	3,091.78	576.34	6,116.95
As at 31st March 2016						
Trade Payable	501.55	4,827.03	-	-	-	5,328.58
Payable related to Capital goods	2.76	265.02	-	-	-	267.78
Other Financial liability (Current and Non Current)	-	32.96	-	-	531.25	564.21
Total	504.31	5,125.01	-	-	531.25	6,160.57
As at 31st March 2015						
Trade Payable	682.08	5,173.59	-	-	-	5,855.67
Payable related to Capital goods	27.30	299.70	-	-	-	327.00
Other Financial liability (Current and Non Current)	-	13.42	-	-	511.00	524.42
Total	709.38	5,486.71	-	-	511.00	6,707.09

(All amounts are in Rs. Lakh, unless stated otherwise)

Note -38: Derivative instruments and unhedged foreign currency exposure

(a) Foreign Currency Exposure as at the reporting date

	As at 31 March, 2017							
Particulars	**USD (in Mn.)**	**In Rs**	**EUR (in Mn.)**	**In Rs**	**GBP (in Mn.)**	**In Rs**	**CHF (in Mn.)**	**In Rs**
A.Trade Recievable	3.04	1,971	0.74	512	0.01	4	-	-
B.Cover by Forwards	(0.10)	(67)	(0.22)	(152)	-	-	-	-
C.Unhedged Exposure	**2.94**	**1,905**	**0.52**	**360.34**	**0.01**	**4.25**	-	-
A.Trade Payable	0.06	40	**0.005**	3				
B.Against Credit Financing	-	-	-	-	-	-	-	-
C.Cover by Forwards	-	-	-	-	-	-	-	-
D.Unhedged Exposure	-	-	-	-	-	-	-	-
Gross Exposure								**2,269**
	As at 31 March, 2016							
Particulars	**USD (in Mn.)**	**In Rs**	**EUR (in Mn.)**	**In Rs**	**GBP (in Mn.)**	**In Rs**	**CHF (in Mn.)**	**In Rs**
A.Trade Recievable	2.68	1,778	0.96	725.42	0.02	2.31	-	-
B.Cover by Forwards	(0.37)	(248)	(0.90)	(678.74)	-	-	-	-
C.Unhedged Exposure	**2.31**	**1,530**	**0.06**	**46.69**	**0.02**	**2.31**	-	-
A.Trade Payable	0.04	23	(0.02)	(13.08)	-	-	-	-
B.Against Credit Financing							-	-
C.Cover by Forwards	(0.04)	(24)	-	-	-	-	-	-
D.Unhedged Exposure	**(0.00)**	-	**(0.02)**	**(13.08)**	-	-		
Gross Exposure								**1,565.72**
	As at 31 March, 2015							
Particulars	**USD (in Mn.)**	**In Rs**	**EUR (in Mn.)**	**In Rs**	**GBP (in Mn.)**	**In Rs**	**CHF (in Mn.)**	**In Rs**
A.Trade Recievable	4.79	2,991.32	0.85	570.16	0.01	6.04	0.00	0.48
B.Cover by Forwards	-1.12	(698.12)	-0.54	(363.66)				
C.Unhedged Exposure	**3.67**	**2,293.21**	**0.31**	**206.51**	**0.01**	**6.04**	**0.00**	**0.48**
A.Trade Payable	0.22	140.11	-	-	-	-	-	-
B.Against Credit Financing	0.50	312.50	-	-	-	-	-	-
C.Cover by Forwards	-0.63	(392.47)	-	-	-	-	-	-
D.Unhedged Exposure	**0.10**	**60.14**	-	-	-	-	-	-
Gross Exposure								**2,566.37**

All the derivative instruments have been acquired for hedging purposes.

JK Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-39 Capital risk management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

The Company's stategy is to maintain a gearing ratio within 150%. The gearing ratios were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Net Debt	4,558.12	5,504.68	6,509.31
Total Equity	5,627.74	6,900.89	7,222.75
Net Debt to Total Equity	**80.99%**	**79.77%**	**90.12%**

Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

- Debt Service Coverage Ratio 1.25 maintained throughout the tenure of the facility, and
- Total Debt/NCA to be less than or equal to 4 for FY 2016 onwards.

As at 31 March 2017, the ratio of net fianace cost to EBITDA(before Exceptional Item) was 159% (31 March, 2016- 75%)

Note-40-1. Related parties disclosures :

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited

(b) **Subsidiary Companies**
JK Talabot Limited

(c) **Fellow Subsidiary Companies with whom transactions have taken place during the year:**
Raymond (Europe) Limited
Ring Plus Aqua Limited
Raymond Apparel Limited

Name of the other related parties with whom transactions have taken place during the year:

(d) **Associates**
P. T. Jaykay Files Indonesia
J.K. Helene Curtis Limited

(e) **Key Management Personnel :**

Chairman & Director	: Mr. Gautam Singhania (till 16.09.2015)
Manager	: Mr. Venkata Ramarao Ilavarapu (till 18.07.2016)
Manager	: Mr. Pravin Chaudhari(from 19.07.2016)
CEO	: Mr. Sushil Luniya(till 30.09.2016)
CEO	: Mr. Ganesh Kumar Subramanian(from 10.08.2016)
Whole time Director	: Mr. Ganesh Kumar Subramanian(from 01.12.2016)
CFO	: Mr. Srinivasan Ganapathy
Company Secretary	: Mr. Rameez Sheikh(till 18.07.2016)
Company Secretary	: Ms.Archana Panchal(from 19.07.2016)

Note : Related party relationship is as identified by the company and relied upon by the Auditors

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-40-2. Transactions carried out with related parties referred in 1 above for the year ended 31st March, 2017, in ordinary course of business :

Nature of transactions	Holding Company	Refered in 1 (b) & (c) above	Redered in 1 (d) above	1 (e) Key Management Personnel
Purchases :				
Goods & Materials	-	**1,935.04**	-	-
	-	(2,222.74)	-	-
Purchase return	-	-	**-**	-
	-	-	(30.82)	-
Export Incentives License purchase	-	**7.17**	-	-
	-	(12.09)	-	-
Fixed Assets	-	**3.95**	-	-
	-	(0.06)	-	-
Sales :				
Goods & Materials	-	**581.16**	**118.09**	-
	-	(729.91)	(59.20)	-
Fixed Assets	-	**-**	-	-
	-	(33.48)	-	-
Expenses :				
Rent & other service charges	-	**12.59**	-	-
	-	(23.41)	-	-
	718.70	-	-	-
	(710.95)	**-**	-	-
Commission	-	**24.72**	-	-
		(44.72)	-	-
Remuneration	-	-	-	**264.79**
				(165.58)
Directors fees	-	-	-	**-**
				(0.50)
Other Expenses	-	**0.09**	**0.37**	-
		(0.18)	(2.91)	-
Other Reimbursements	**160.10**	-	-	-
	(98.07)	-	-	-
Other Receipts :				
Deputation of staff	-	**112.22**	-	-
	-	(84.39)	-	-
Other reimbursements	**562.97**	**4.58**	**25.20**	-
	(455.90)	-	(18.36)	-
Finance :				
Inter Company Deposit received	**3,600.00**	-	-	-
	(10,000.00)	-	-	-
Inter Company Deposit repaid	**3,600.00**	-	-	-
	(10,000.00)	-	-	-
Interest paid on Loans & Advances	**411.48**	-	-	-
	(604.93)			
Outstandings :				
Payable	**8.31**	**160.94**	-	-
	-	(44.72)	-	-
	(0.93)	(62.16)	(30.83)	-
ICD payable	**3,427.82**	-	-	-
	(3,427.82)	-	-	-
	(3,427.82)	-	-	-
Receivable	-	**2.69**	**131.45**	-
	-	-	(19.17)	
	-	(23.13)	(73.09)	
Other Receivable Current a/c	**-**	**-**	**41.47**	-
	(40.37)	**-**	(16.27)	-
	-	**-**	**-**	-

Notes:-
(1) Figures in bracket represents previous years's numbers
(2) No amount of related parties is provided as doubtful or written off/back during the year

Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-40-1. b & c - Subsidiary Companies with whom transactions have taken place during the year ended 31st March, 2017

Nature of transactions	J K Talabot Ltd	Raymond Apparel Ltd	Raymond Europe Ltd	Ring Plus Aqua Ltd.	Total 1 (b) & (c)
Purchases :					
Goods and Material	**1,935.04**	**-**	**-**	**-**	**1,935.04**
	(2,222.74)	-	-	-	*(2,222.74)*
DEPB License Purchased	**7.17**	**-**	**-**	**-**	**7.17**
	(7.07)	-	-	*(5.02)*	*(12.09)*
Fixed Assets	**3.95**	-	-	-	**3.95**
	(0.06)	-	-	-	(0.06)
Sales :					-
Goods and Material	**578.41**	**-**	**-**	**2.75**	**581.16**
	(727.94)	-	-	*(1.97)*	*(729.91)*
Fixed Assets	**-**	**-**	**-**	**-**	**-**
(Include Capital WIP Sale Rs.19.69 Lacs)	*(33.48)*	-	-	-	(33.48)
Expenses :					
- Deputation of Staff	**12.59**	**-**	**-**	**-**	**12.59**
	(23.41)	-	-	-	*(23.41)*
Commission		-	**24.72**	**-**	**24.72**
	-	-	*(44.72)*	-	*(44.72)*
Other Expenses		**0.09**			**0.09**
	-	*(0.18)*			*(0.18)*
Other Receipts :					
Deputation of staff	**34.08**			**78.14**	**112.22**
	(28.32)			*(56.07)*	(84.39)
Other reimbursements	-			**4.58**	**4.58**
	-			-	-
Outstandings :					-
Payable	**136.22**	**-**	**24.72**	**-**	**160.94**
	-	-	*(44.72)*	-	(44.72)
	-	-	*(62.16)*	-	(62.16)
Receivable	-	-	-	**2.69**	**2.69**
	-	-	-	-	-
	-	**-**	**-**	(23.13)	(23.13)

Note:- Figures in bracket represents previous year's numbers

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-40-1.d - Other related parties where control exists for the year ended 31st March, 2017

Nature of transactions	P T Jaykay Files Indonesia	J K Helene Curtis Ltd	Total 1 (d)
Purchases :			
Goods and Materials	-		-
	-		-
Purchase return	-		-
	(30.82)		(30.82)
Fixed Assets			-
Sales :			
Goods and Materials	**118.09**		**118.09**
	(59.20)		*(59.20)*
Fixed Assets	-		-
	-		-
Expenses :			
Other Expenses	-	**0.37**	**0.37**
	(2.09)	*(0.82)*	*(2.91)*
Other Receipts :			
Other reimbursements	**25.20**		**25.20**
	(18.36)		*(18.36)*
Outstandings :			
Payable	-	-	-
	-	-	-
	(30.83)		*(30.83)*
Receivable	**131.45**	-	**131.45**
	(19.17)		*(19.17)*
	(73.09)		*(73.09)*
Other Receivable Current a/c	**41.47**	-	**41.47**
	(16.27)		(16.27)
	-		-

Note:- Figures in bracket represents previous year's numbers

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-40-'1.e - Key Management Personnel for the year ended 31st March, 2017

Nature of transactions	Shri.Gautam Singhania	Mr.Sushil luniya	Mr.Ganesh Kumar Subramanian	Mr. Venkata Ramarao Ilavarapu	Mr. Srinivasan Ganapathy	Mr.Pravin Chaudhari	Total 1 (e)
Expenses :							
Remuneration	-	**83.25**	**86.48**	**10.38**	**49.36**	**35.32**	**264.79**
	-	*(95.45)*	-	*(24.72)*	*(45.41)*	-	(165.58)
Directors Fees	**-**	**-**	**-**	-	-	-	**-**
	(0.50)	-	-	-	-	-	*(0.50)*

Note:- Figures in bracket represents previous year's numbers

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-41 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. <u>Optional Exemptions</u>

(a) Deemed Cost

The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and eqquipments and Intangible assets as deemed cost as at transition date.

(b) Investments in subsidiaries, joint ventures and associates

The Company has opted para D14 and D15 and accordingly considered the cost of Investments as deemed cost as at transition date.

B. <u>Mandatory Exceptions</u>

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

C. <u>Transition to Ind AS - Reconciliations</u>

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)

II. A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Statement of total Comprehensive Income for the year ended March 31, 2016

III. Reconcilition of Equity as at April 1, 2015 and March 31, 2016

IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2015

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	**12**	3,074.07	-	3,074.07
Other Equity	**12(2)**	4,148.08	0.60	4,148.68
LIABILITIES				
Non-current liabilities				
Financial liablities				
Long - term borrowings	**13**	6,509.31	-	6,509.31
Deferred tax liabilities (Net)	**28**	53.36	-	53.36
Current liabilities				
Financial Liabilities				
Short Term Borrowings	**14**	3,373.16	-	3,373.16
Trade payables	**16**	5,855.67	-	5,855.67
Other financial liabilities	**17(2)**	1,926.42	-	1,926.42
Other current liabilities	**15**	701.64	-	701.64
Provisions	**17(1)**	204.75	-	204.75
Current Tax Liabilities (Net)		-	-	-
TOTAL		**25,846.46**	**0.60**	**25,847.06**
ASSETS				
Non-current assets				
Property, Plant and Equipment	**2**	7,625.31	-	7,625.31
Capital work-in-progress	**2**	309.74	-	309.74
Intangible assets	**3**	1,159.04	-	1,159.04
Goodwill	**3**	79.41	-	79.41
Non Current Investment				-
Investments	**4**	724.89	-	724.89
Financial Assets				-
Long - term loans and advances		-	-	-
Other financial assets	**8(1)B**	173.28	-	173.28
Deferred tax assets (Net)				-
Other non-current assets	**9**	351.06	-	351.06
Current assets				
Inventories	**10**	5,765.14	-	5,765.14
Financial Assets				
Trade receivables	**5**	7,519.84	-	7,519.84
Cash and cash equivalents	**6**	81.99	-	81.99
Loans	**7**	7.27	-	7.27
Other financial assets	**8(1)B**	48.27	-	48.27
Current Tax Assets (Net)		413.66	-	413.66
Other current assets	**11**	1,587.56	0.60	1,588.16

Note-41 First-time adoption of Ind AS

TOTAL	**25,846.46**	**0.60**	**25,847.06**
	-	-	-

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-41 First-time adoption of Ind AS

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	**12**	3,074.07	-	3,074.07
Other Equity	**12(2)**	3,597.18	229.64	3,826.82
LIABILITIES				
Non-current liabilities				
Financial liablities				
Long - term borrowings	**13**	5,504.69	-	5,504.69
Deferred tax liabilities (Net)	**28**	53.36	(53.36)	-
Current liabilities				
Financial Liabilities				
Short Term Borrowings	**14**	3,146.79	-	3,146.79
Trade payables	**16**	5,328.58	-	5,328.58
Other financial liabilities	**17(2)**	2,146.29	13.82	2,160.11
Other current liabilities	**15**	758.11	-	758.11
Provisions	**17(1)**	247.17	-	247.17
TOTAL		**23,856.24**	**190.10**	**24,046.34**
ASSETS				
Non-current assets				
Property, Plant and Equipment	**2**	6,999.26	-	6,999.26
Capital work-in-progress	**2**	16.55	-	16.55
Intangible assets	**3**	859.49	17.66	877.15
Goodwill		79.41	-	79.41
Investments	**4**	724.89	-	724.89
Financial Assets		-		-
Other financial assets	**8(1)B**	167.35	-	167.35
Deferred tax assets (Net)	**-**	-	149.08	149.08
Other non-current assets	**9**	329.16	-	329.16
		-		-
Current assets		-		-
Inventories	**10**	5,569.22	-	5,569.22
Financial Assets				
Trade receivables	**5**	6,681.89	-	6,681.89
Cash and cash equivalents	**6**	33.46	-	33.46
Loans	**7**	65.28	-	65.28
Other financial assets	**8(1)B**	28.47	-	28.47
Current Tax Assets (Net)		459.56	-	459.56
Other current assets	**11**	1,842.25	23.36	1,865.61
TOTAL		**23,856.24**	**190.10**	**24,046.34**
		-	-	-

II B. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations	**18**	39,949.99	-	39,949.99
Other Income	**19**	541.46	8.95	550.41
Total		**40,491.45**	**8.95**	**40,500.40**
Expenses				
Cost of materials consumed	**20**	9,831.52	-	9,831.52
Purchases of Stock-in-Trade	**21**	5,540.78	-	5,540.78
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	**22**	53.45	-	53.45
Manufacturing and Operating Costs	**23**	11,511.61	-	11,511.61
Employee benefits expense	**24**	6,666.87	84.90	6,751.77
Finance costs	**25**	1,223.65		1,223.65
Depreciation and amortization expense	**26**	1,040.40	(17.66)	1,022.74
Other expenses	**27**	5,174.07		5,174.07
Total		**41,042.35**	**67.24**	**41,109.59**
Profit/(Loss) before exceptional items and tax		**(550.90)**	**(58.29)**	**(609.19)**
Exceptional Items		-		-
Profit before tax		**(550.90)**	**(58.29)**	**(609.19)**
Tax expense				
Deferred tax (net)	**28**	-	(202.43)	(202.43)
Profit/(Loss) for the year (A)		**(550.90)**	**144.14**	**(406.76)**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans	**24**	-	84.90	84.90
Income tax relating to items that will not be reclassified to profit or loss				-

Note-41 First-time adoption of Ind AS

Remeasurements of net defined benefit plans	-	-	-
Other Comprehensive Income for the year (B)	-	84.90	84.90
Total Comprehensive Income for the year (A+B)	**(550.90)**	**229.04**	**(321.86)**

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-41 First-time adoption of Ind AS

III A Reconcilation of Equity

	Note	31st March'2016	1st April'2015
Total equity under Previous GAAP		6,671.25	7,222.15
Adjustments impact: Gain/ (Loss)			
Marked to Market of Forward and Options	**19**	8.95	0.60
Reversal of goodwill amortisation	**26**	17.66	-
Deferred tax assets/(liability) created under Ind AS	**28**	202.43	-
Total IND AS adjustment		**229.04**	**0.60**
Total equity under Ind AS		**6,900.29**	**7,222.75**

III B Reconcilition of Income Statement

	Note	For the Year ended 31st March'2016
Profit/(Loss) after tax under Previous GAAP		(550.90)
Adjustments Gain/ (Loss)		
Employee benefits expense	**24**	84.90
Deemed Rental expenses	**24**	
Reversal of Non amortisation of goodwill	**26**	17.66
MTM of Forward	**19**	8.95
Deffered Tax on above adjustments	**28**	202.43
Acturial gain loss classified to Other Comprehensive Income	**24**	(84.90)
Total IND AS Impact		229.04
Total Profit/ (Loss) under Ind AS		**(321.86)**

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs Lacs)

Sr. No.	Particulars	
1	Sl. No.	1
2	Name of the subsidiary	JK Talabot Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting Period (1st April 2016 to 31st March 2017)
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A
5	Share capital	805.44
6	Reserves & surplus	1205.40
7	Total assets	2,220.19
8	Total Liabilities	209.35
9	Investments	NIL
10	Turnover	2111.54
11	Profit before taxation	220.87
12	Provision for taxation	72.15
13	Profit after taxation	148.72
14	Proposed Dividend	NIL
15	% of shareholding	90%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	**Name 1**	**Name 2**	**Name 3**
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-	-	-
No.	-	-	-
Amount of Investment in Associates/Joint Venture	-	-	-
Extend of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
i. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of
JK FILES (INDIA) LIMITED

sd/-
Ganesh Kumar
Director
DIN: 00088163

sd/-
K. A. Narayan
Director
DIN: 00950589

sd/-
Srinivasan Ganapathy
Chief Financial Officer

sd/-
Archana Panchal
Company Secretary

Place: Mumbai
Date: April 26, 2017

JK TALABOT LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI GANESHKUMAR SUBRAMANIAN SHRI SRINIVASAN GANAPATHY SHRI ARNAUD MOULIN
COMPANY SECRETARY	:	SMT. ARCHANA PANCHAL
STATUTORY AUDITORS	:	MESSRS. LODHA & CO. CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

JK TALABOT LIMITED
(CIN: U28930MH2005PLC154517)

DIRECTORS' REPORT

To,

The Members of JK TALABOT LIMITED

Your Directors present their Twelfth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL SUMMARY / OPERATIONAL PERFORMANCE:

Your Company manufactures files and rasps at its plant at Chiplun in Ratnagiri District, in the State of Maharashtra. During FY 2017, the Gross Sales Revenue of the company stood at Rs. 21.12 crore (Previous Year: Rs. 24.36 crore). The Company reported a profit after tax of Rs. 1.49 crore during FY 2017 (Previous Year: Rs. 1.38 crore). Despite the low demand conditions globally coupled with inflationary trends, the performance of the Company during the year was good. The increase in input costs like power, fuel and employment, has been offset to a large extent by control over cost, improved productivity etc. The Company continued its initiative on improvement in productivity, quality and control on working capital.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2016-17.

3. RESERVES

Your Company has not transferred any amount to the reserves of the Company.

4. AUDITORS

As per the provisions of Section 139 of the Companies Act 2013, the term of office of Messrs. Lodha & Co, Chartered Accountants, as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by Messrs. Lodha & Co as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN 012754N/N500016) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

5. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s Mahajan & Aibara, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs. 8.05 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

9. DIRECTORS

Shri Ashok Khedekar had resigned as Director of the Company with effect from May 31, 2016 due to other professional commitments. The Board places on record its appreciation for the services rendered by Shri Ashok Khedekar during his tenure as Director.

Shri Sushil Luniya had resigned as Director of the Company with effect from September 30, 2016 due to other professional commitments. The Board places on record its appreciation for the services rendered by Shri Sushil Luniya during his tenure as Director.

Shri Thibaut Moulin had resigned as Director of the Company with effect from July 18, 2016 due to other professional commitments. The Board places on record its appreciation for the services rendered by Shri Thibaut Moulin during his tenure as Director.

The Board of Directors appointed Shri Ganeshkumar Subramanian as an Additional Director of the Company with effect from September 30, 2016.

The Board of Directors appointed Shri Arnaud Moulin as an Additional Director of the Company with effect from July 18, 2016.

In terms of provisions of Section 161 and other applicable provisions of Companies Act 2013, Shri Srinivasan Ganapathy who was appointed as an Additional Director of the Company and in respect of whom the Company has received notice in writing from the member proposing his Candidature for the office of Director, has been appointed as Director of the Company at the Annual General Meeting held on June 06, 2016.

In terms of Section 161 of the Companies Act, 2013, Shri Ganeshkumar Subramanian and Shri Arnaud Moulin holds office upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from the members proposing their name for the office of Director.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Srinivasan Ganapathy, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

During the year, six Board Meetings were held viz. April 12, 2016, May 31, 2016, July 18, 2016, September 30, 2016, October 24, 2016, and January 24, 2017. The details of the meetings are given below:

Sr. No.	Date of Board Meeting	Name of Directors					
		Shri Thibaut Moulin	Shri Arnaud Moulin	Shri Ganeshkumar Subramanian	Shri Srinivasan Ganapathy	Shri Sushil Luniya	Shri Ashok Khedekar
1	12/04/2016	-	N.A.	N.A.	N.A.	✓	✓
2	31/05/2016	-	N.A.	N.A.	✓	✓	✓
3	18/07/2016	N.A.	N.A.	N.A.	✓	✓	N.A.
4	30/09/2016	N.A.	-	✓	✓	✓	N.A.
5	24/10/2016	N.A.	-	✓	✓	N.A.	N.A.
6	24/01/2017	N.A.	-	✓	✓	N.A.	N.A.

10. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

11. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure A"** to this Report.

14. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure B"** to this Report.

15. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2016 is not applicable.

16. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. There were no complaints filed against any of the employees of the Company under this Act.

17. ACKNOWLEDGEMENT

The Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks and Joint Venture Partners for their continued support and co-operation.

For and on behalf of the Board of
JK TALABOT LIMITED

sd/-	sd/-
Ganeshkumar Subramanian	**Srinivasan Ganapathy**
DIRECTOR	**DIRECTOR**
DIN: 00088163	**DIN: 07379783**

Date: April 26, 2017
Place: MUMBAI

ANNEXURE - A

Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings and Outgo

The Information under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2017 is given here below and forms part of the Directors' Report.

A) CONSERVATION OF ENERGY

- Under the Green Energy initiative we have installed and commissioned a "Solar Power Generation system of 100 kWp" in F.Y. 2015-16 in the premises of JK Talabot. In this financial year i.e. (FY 2016-17) we have generated Green power of 98.47 MWh thereby achieving a reduction of 68.69 MT of CO_2.

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

i) During the year the Company has not developed any new product.

ii) Process Improvement: (Rust preventive process)
- Process of applying rust preventive oil is changed from manual dipping to automatic oil dipping. This ensures minimum one minute dipping to form rust preventive oil film on files.
- Above changes resulted into zero customer complaints in last 1 Yr.

iii) Process Improvement: (Reuse of consumable)
- Reusing of control wheel reduced its use to 42% by no's.
- After using the wheels on one kind of machine, started its reuse on other machine by modifying its width.
- The total cost impact Rs.2 Lacs for F.Y. 2016-17

iv) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- **NOT APPLICABLE**

v) There was no expenditure incurred on Research and Development.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

The Company had Rs 2.34 Crores (Previous Year: Rs. 2.71 Crores) earnings in foreign exchange and the outgo in foreign exchange was Rs.0.02 Crores (Previous Year - NIL).

Annexure - B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U28930MH2005PLC154517
2.	Registration Date	06/07/2005
3.	Name of the Company	JK Talabot Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-government Company
5.	Address of the Registered office & contact details	New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai- 400 001. Tel: 022 – 66046000 Fax: 022 – 22620052
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	FILES AND RASPS	25932	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	**JK Files (India) Limited** New Hind House N. M. Marg Ballard Estate, Fort, Mumbai-400001	U27104MH1997PLC105955	Holding Company	90%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	7248936	7248936	90	-	7248936	7248936	90	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	-	7248936	7248936	90	-	7248936	7248936	90	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	7248936	7248936	90	-	7248936	7248936	90	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-								-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	805436	805436	10.00	-	805436	805436	10.00	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	805436	805436	10.00	-	805436	805436	10.00	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	8054372	8054372	100.00	N.A	8054372	8054372	100.00	-

B) **Shareholding of Promoter-**

		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% Change during the year
1	JK Files (India) Limited and its nominees	7248936	90	-	7248936	90	-	-

C) **Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no change in the Promoters shareholding**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D) **Shareholding Pattern of top ten Shareholders:**
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no Change in the Shareholding Pattern of the top ten Shareholders.**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**None of the Directors hold shares in the Company.**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Rs in Lacs)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-----	----	----	---	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

(Rs in Lacs)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board/ committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
			Shri Rameez Shaikh (Resigned on: 18.07.2016 Smt. Archana Panchal (Appointed on: 18.07.2016		
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITOR'S REPORT

To The Members of
JK Talabot Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **JK Talabot Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, Statement of changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit, Statement of Changes in Equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the " Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

3. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 to the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

(iv) The Company has disclosed in the financial statements as to holding as well as dealings in Specified Bank Notes (SBN) during the period from 8th November 2016 to 30th December 2016 and these are in accordance with books of account maintained by the Company (Refer Note 29 to the financial statements).

For **LODHA & COMPANY**
Chartered Accountants
Firm Registration No. – 301051E

sd/-

R. P. BARADIYA
Partner
Membership No. 44101

Place: Mumbai
Date: 26th April, 2017

“Annexure A”

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE JK TALABOT LIMITED.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b) The Company has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   c) The Company does not own any immovable properties. Therefore, Para 3 (i) (c) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company.

2. The inventory has been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

3. During the year, the Company has granted loans to Companies covered in the register maintained under section 189 of the Act. The terms and conditions on which such loans were granted are not prejudicial to the interest of the Company. Further, repayment of principal and payment of interest has been stipulated. However, there is no principal repayment due.
4. The Provisions of section 185 and I86 of the Act have been complied in respect of aforesaid loans.

5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company.

6. Accordingly to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Act for any of the products manufactured by the Company. Therefore, Para 3 (vi) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company

7. a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

8. The Company has not taken any loan or borrowing from a financial institution, bank, government or debenture holders. Therefore, Para 3 (viii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

9. The Company has not raised any money by way of initial public offer or further public offer during the year or in the recent past and has not taken any term loan. Therefore, Para 3 (ix) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by officers or employees of the Company, noticed or reported during the year, nor have we been informed of such case by the management.

11. The Company has not paid or provided any managerial remuneration. Therefore, Para 3 (xi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

12. In our opinion, the Company is not Nidhi Company. Therefore, Para 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

13. All transactions with the related parties are in compliance with section 188 of Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards. As explained, provisions of Section 177 of the Act is not applicable to the Company.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him pursuant to 192 of the Act.

16. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For LODHA & COMPANY
CHARTERED ACCOUNTANTS
Firm Registration No: 301051E

sd/-

R.P. BARADIYA
PARTNER
Membership No: 44101

Place : Mumbai
Dated : 26th April, 2017

” Annexure B”

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **JK TALABOT LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the“ Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LODHA & COMPANY
CHARTERED ACCOUNTANTS
Firm Registration No: 301051E

sd/-

R.P. BARADIYA
PARTNER
Membership No: 44101

Place : Mumbai
Dated :26th April, 2017

J K Talabot Limited
Balance Sheet as at 31st March 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

		Note	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-Current Assets**				
	(a)Property, Plant and Equipment	2	692.65	819.37	846.58
	(b)Capital work - in - progress	2	-	5.38	-
	(c)Intangible assets	3	-	-	1.17
	(d)Financial Assets				
	(i)Other financial assets	8A	1.08	1.08	1.08
	(e)Current Tax Assets (Net)		11.68	19.95	16.48
	Total Non-Current Assets		**705.40**	**845.77**	**865.31**
2	**Current assets**				
	(a)Inventories	9	76.28	93.55	157.60
	(b)Financial Assets				
	(i) Investments	4	203.00	-	-
	(ii)Trade receivables	5	190.87	50.90	67.08
	(iii)Cash and cash Equivalents	6	16.63	59.36	831.35
	(iv) Loans	7	1,000.00	1,000.00	-
	(v) Other financial asset	8B	1.50	1.50	1.50
	(c)Other current assets	10	26.49	20.38	23.31
	Total Current Assets		**1,514.78**	**1,225.70**	**1,080.84**
	TOTAL ASSETS		**2,220.19**	**2,071.47**	**1,946.15**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity share capital	11	805.44	805.44	805.44
	(b) Other equity		1,205.40	1,055.83	917.71
	TOTAL EQUITY		**2,010.84**	**1,861.27**	**1,723.15**
	LIABILITIES				
2	**Non-current liabilities**				
	(a) Deferred tax liabilities (Net)		33.93	50.17	49.02
	Total Non-Current Liabilities		**33.93**	**50.17**	**49.02**
3	**Current liabilities**				
	(a) Financial Liabilities				
	(i)Trade payables	12	148.80	132.49	157.92
	(b) Other current liabilities	13	10.97	11.99	9.00
	(c) Provisions	14	15.65	15.55	7.06
	Total Current Liabilities		**175.42**	**160.03**	**173.99**
	TOTAL LIABILITIES		**209.35**	**210.20**	**223.01**
	TOTAL EQUITY AND LIABILITIES		**2,220.19**	**2,071.47**	**1,946.15**

Accompanying Notes form an integral part of financial statements **1 to 37**
As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

For and on behalf of the Board of Directors of
J K TALABOT LIMITED

sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26-04-2017

Mumbai
Date: 26-04-2017

J K Talabot Limited
Statement of Profit and Loss for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

		Note	Year ended 31st March,2017	Year ended 31st March, 2016
I	**Revenue from Operations**	16	2,111.54	2,435.73
II	**Other Income**	17	107.54	88.01
III	**Total Income (I + II)**		**2,219.08**	**2,523.74**
IV	**Expenses**			
	Cost of materials consumed	18	502.43	638.46
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	19	0.08	47.62
	Manufacturing and Operating Costs	20	783.62	931.34
	Employee benefits expense	21	482.39	462.32
	Finance costs	22	0.06	2.77
	Depreciation and amortization expense	23	138.48	142.93
	Other expenses	24	91.14	91.08
	Total expenses (IV)		**1,998.21**	**2,316.52**
V	**Profit before tax**		**220.87**	**207.22**
VI	**Tax expense**	26		
	Current tax		86.06	68.52
	Deferred tax expense/(income)		(16.65)	1.14
	Tax on Prior Period		2.74	-
VII	**Profit for the year (V- VI)**		**148.72**	**137.57**
VIII	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of net defined benefit plans		(1.26)	(0.56)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		0.42	-
IX	**Other Comprehensive Income for the year**		**0.85**	**0.56**
X	**Total Comprehensive Income for the year (VII + IX)**		**149.57**	**138.13**
XI	**Earnings per equity share of Rs. 10 each :**	30		
	Basic & Diluted		1.86	1.71

Accompanying Notes form an integral part of financial statements **1 to 37**
As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26-04-2017

For and on behalf of the Board of Directors of
J K TALABOT LIMITED

sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26-04-2017

J K Talabot Limited
Statement of Changes in Equity for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	NOTES	Amount
Balance as at 1st April 2015		**805.44**
Changes in Equity Share Capital during the year	11	-
Balance as at 31st March 2016		**805.44**
Changes in Equity Share Capital during the year	11	-
Balance as at 31st March 2017		**805.44**

B. Other Equity

	Note	Reserves and Surplus	Items of Other Comprehensive Income	Total
		Retained Earnings	Remeasurement of Defined Benefit Plans	
Balance as at 1st April, 2015		917.71	-	917.71
Profit for the year		**137.57**	-	**137.57**
Other Comprehensive Income for the year		-	**0.56**	**0.56**
Total Comprehensive Income for the year		**137.57**	**0.56**	**138.13**
Balance as at 31st March, 2016		1,055.27	0.56	1,055.83
Balance as at 1st April, 2016		1,055.27	0.56	1,055.83
Profit for the year		**148.72**	-	**148.72**
Other Comprehensive Income for the year		-	**0.85**	**0.85**
Total Comprehensive Income for the year		**148.72**	**0.85**	**149.57**
Balance as at 31st March, 2017		**1,203.99**	**1.41**	**1,205.40**

Accompanying Notes form an integral part of financial statements **1 to 37**
As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E
sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26-04-2017

For and on behalf of the Board of Directors of
J K TALABOT LIMITED

sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26-04-2017

J K TALABOT LIMITED

Statement of Cash Flow for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Particulars	Notes	Year ended 31st March,2017		Year ended 31st March, 2016	
A. Cash Flow from Operating Activities					
Net Profit/(loss) before tax			222.13		207.78
Adjustment for :					
Depreciation and Amortisation Charge	**23**	138.48		142.93	
Loss on sale of Computers		0.03		2.78	
Interest income classified as Investing Activities	**17**	(104.54)		(81.19)	
Income accrued on Current Investment -FVTPL	**17**	(3.00)			
Finance Costs	**22**	0.06	31.04	2.77	67.29
Operating Profit Before Working Capital Changes			253.18		275.07
Adjustment for :					
(Increase)/Decrease in Inventories	**9**	17.27		64.04	
(Increase)/Decrease in Trade Receivables	**5**	(139.97)		16.18	
(Increase)/Decrease in Other Current Assets	**10**	(6.11)		2.93	
Increase/(Decrease) in Trade Payables and Liabilities	**12**	15.37		(13.98)	
			(113.43)		69.17
Cash generated from Operations			139.75		344.24
Add / (Deduct): Taxes Paid (Net)			(80.54)		(71.95)
Net Cash Inflow/(Outflow) from Operating Activities			**59.21**		**272.29**
B. Cash Flow from Investing Activities					
Payments for Property,Plant & Equipment			(6.44)		(122.96)
Receipts on Sale of Computers			0.03		0.26
Loans to Related parties			-		(1,000.00)
Interest received			104.54		81.19
Net Cash Outflow from Investing Activities			**98.12**		**(1,041.51)**
C. Cash Flow from Financing Activities					
Interest Paid			(0.06)		(2.77)
Net Cash Inflow from Financing Activities			**(0.06)**		**(2.77)**
Net Increase in Cash and Cash Equivalents (A+B+C)			157.26		(771.99)
Add :Cash and Cash Equivalents at the beginning of the financial Year			59.36		831.35
Cash and Cash Equivalents as at the end of the Year			**216.63**		**59.36**

Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement	Year ended 31st March,2017	Year ended 31st March, 2016
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	216.63	59.36
Investment in Mutual Fund	(200.00)	-
Balance as per Statement of Cash Flows	**16.63**	**59.36**

Accompanying Notes form an integral part of financial statements **1 to 37**
As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-
R. P. Baradiya
Partner

Mumbai
Date: 26-04-2017

For and on behalf of the Board of Directors of
J K TALABOT LIMITED

sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26-04-2017

J K TALABOT LIMITED

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

I. Background

JK Talabot Limited incorporated in India having registered office at Mumbai and Corporate identification Number (U28930MH2005PLC154517),based at Chiplun District- Ratnagiri,Maharashtra, India, carries on manufacturing of Files And Rasps.The company has a distribution reach in Exports especially in European and Domestic Market.

II. Significant accounting policies

(a) Basis Of Preparation Of Financial Statements

(i) Compliance with Ind AS
These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules,2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the company prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:

1) Certain financial assets and liabilities that is measured at fair value;
2) assets held for sale - measured at fair value less cost to sell;
3) Defined benefit plans - Plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Provision, contingent liabilities and Contingent Assets
Provisions: Provisions are recognised 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.

Contingent Assets: Contingent Assets are neither recognised or disclosed in the financial statements.

ii. Measurement of defined benefit obligations
The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at Cost less depreciation and impairment, if any.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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Transition to Ind AS
On transition to Ind AS, company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method or written down value to allocate their cost, net of their residual values, over their estimated useful lives which are as follows:

Asset Category	Method of Depreciation/	Useful Life
Leasehold Land	Straight Line	62-80years
Factory Building	Straight Line	03-60years
Non Factory Building	Written Down Value	03-60years
Plant and Equipment	Straight Line	03-24years
Furniture and Fixture	Written Down Value	05-10years
Vehicles	Written Down Value	8years
Office Equipment	Written Down Value	05-10years
Computers	Straight Line	03-06years

Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery,based on an independent technical evaluation,has been estimated as 24 years (on a single shift basis) from the date of acquisition which is different from that prescribed in Schedule II of the Act.The residual values are not more than 5% of the original cost of the asset.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

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 or loss within other gains/ (losses).

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its property , plant and equipment recognized as at 1 April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(d) Intangible assets

(i)Computer software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method

The Company amortizes Computer software with a useful life using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS the company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(e) Lease

As a lessee

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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.

(g) Trade receivables

Trade receivables are recognised at the value of sales less provision for impairment.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(h) Inventories

Inventories of Raw Materials, Work-in-Progress, Packing Material, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods if such Finished Goods are held for domestic sales. Cost formulae used are 'Weighted Average cost'. In case of finished goods includes appropriate production overheads and excise duty, wherever applicable. Fixed production overheads are recognised as part of the cost of inventories based on normal capacity. Normal capacity is the level of production that an entity expects to achieve on average over three years. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

(j) Investments and other financial assets

(i) 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 the Statement of 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 the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

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

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

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

(iv) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(j) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(k) Trade 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 as per credit terms negotiated at time of Purchase Order. 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 and subsequently measured at amortised cost using the effective interest method.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

(n) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(o) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, Rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods
Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to the nominated transporter against valid LR, in case of export sales place when goods are shipped on-board based on Bill of lading.

Sale of Scrap
Revenue from sale of Scrap/Process Waste is recognised on basis of dispatch.

Revenue from services
Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives
Export Incentives under the "Merchandise Export From India Scheme(MEIS)","Duty Draw back Scheme" etc. is accounted in the year of export.

(p) Employee benefits

Short Term Employee Benefits
All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Post Employment / Retirement Benefits
Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.
Defined Benefit Plans - The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised in other comprehensive income shall not be reclassified to the Statement of Profit and Loss in a subsequent period. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.
Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet date are discounted using the yield on Government Bonds.

(q) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(r) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. 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 excepted to apply when the related deferred income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company wil

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 33).

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Dividends:

Declaration of dividend treated as event occurred after balance Sheet date.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-2 Property, Plant and Equipment

	Leasehold Land	Buildings	Plant & Equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total	Capital Work in Progress
As at 1st April, 2015									
Gross carrying Amount(Refer Note -31 & 35)	17.26	328.30	495.58	1.46	1.55	1.67	0.76	846.58	-
Additions	-	11.05	103.25	-	-	-	3.28	117.58	5.38
Disposals	-	2.87	0.04	-	-	-	0.13	3.04	-
Transfers	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31st March, 2016	17.26	336.48	598.79	1.46	1.55	1.67	3.91	961.12	5.38
Accumulated Depreciation									
Additions	0.19	14.51	124.85	0.38	0.49	0.36	0.97	141.75	-
Disposals	-	-	0.003	-	-	-	-	0.003	-
Accumulated Depreciation as at 31st March, 2016	0.19	14.51	124.85	0.38	0.49	0.36	0.97	141.75	-
Net carrying amount									
Balance as at 1st April, 2015	17.26	328.30	495.58	1.46	1.55	1.67	0.76	846.58	-
Balance as at 31st March, 2016	17.07	321.97	473.94	1.08	1.06	1.31	2.94	819.37	5.38
Gross carrying Amount									
Balance as at 31st March, 2016	17.26	336.48	598.79	1.46	1.55	1.67	3.91	961.12	-
Additions	-	-	10.98	-	-	0.84	-	11.82	-
Disposals	-	-	-	-	-	-	0.06	0.06	-
Gross Carrying amount as at 31st March, 2017	17.26	336.48	609.77	1.46	1.55	2.51	3.85	972.88	-
Accumulated Depreciation									
Balance as at 31st March,2016	0.19	14.51	124.85	0.38	0.49	0.36	0.97	141.75	-
Additions	0.19	15.11	120.86	0.64	0.33	0.32	1.04	138.48	-
Disposals	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at 31st March, 2017	0.38	29.62	245.70	1.02	0.82	0.68	2.01	280.23	-
Net carrying amount									
Balance as at 31st March,2016	17.07	321.97	473.94	1.08	1.06	1.31	2.94	819.37	-
Balance as at 31st March,2017	16.88	306.86	364.07	0.44	0.73	1.84	1.84	692.65	-

1) Leasehold land under varying lease arrangement commencing 2005 for period ranging 90-99 years.
2) Capital work in progress reprsents machineries under installations.
3) Depreciation expenses includes Rs 1.53 Lacs (31st March-2016 -Nil) towards impairment of Plant and Equipment /Capital Work In Progress.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-3 Intangible assets

	Computer Software	Total
As at 1st April 2015		
Gross carrying Amount(Refer Note -35)	**1.17**	**1.17**
Additions		
Disposals		
Gross carrying amount as at 31st March, 2016	**1.17**	**1.17**
Accumulated Amortisation		
Additions	**1.17**	**1.17**
Disposals		
Accumulated Amortisation as at 31st March, 2016	**1.17**	**1.17**
Net carrying amount		
Balance as at 1st April 2015	**1.17**	**1.17**
Balance as at 31st March 2016	**-**	**-**
Gross carrying amount		
Balance as at 31st March 2016	**1.17**	**1.17**
Additions	-	-
Disposals	-	-
Gross carrying amount as at 31st March 2017	**1.17**	**1.17**
Accumulated Amortisation		
Balance as at 31st March 2016	**1.17**	**1.17**
Additions	-	-
Disposals	-	-
Accumulated Amortisation as at 31st March, 2017	**1.17**	**1.17**
Net carrying amount		
Balance as at 31st March 2016	**-**	**-**
Balance as at 31st March 2017	**-**	**-**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-4 Current investments

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Investments in Mutual Fund(Refer note -27)			
Quoted			
9000.692 Nos Units UTI Treasury Advantage Fund Growth Plan	203.00	-	-
Total	**203.00**	-	-
Aggregate amount of Cost of Quoted Investment	**200.00**	-	-

Note-5 Trade receivables

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Outstanding for a period less than six months from the date they are due for payment			
Unsecured			
Related parties	190.26	50.10	67.08
Other parties	0.62	0.80	-
Outstanding for a period exceeding six months from the date they are due for payment	-	-	-
Related parties	-	-	-
Other parties	-	-	-
Total	**190.87**	**50.90**	**67.08**

Refer **Note-28** for information about credit risk and market risk of trade receivables.

Note-6 Cash and cash equivalents

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	0.05	0.03	0.08
Cheques, drafts on hand	7.83	40.06	-
Balances with Banks			
In current accounts	8.75	19.27	4.69
Term deposits with original maturity of less than three months	-	-	826.58
Total	**16.63**	**59.36**	**831.35**

Note-7 Loans
(Unsecured, considered good unless otherwise stated)

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Loans to related parties	1,000.00	1,000.00	-
Inter Corporate Deposit placed with Ring Plus Aqua Ltd @ of 10.25% p.a. for Rs.10Crore			
Current Total	**1,000.00**	**1,000.00**	

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-8 Other financial assets

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
A.Non-current			
Considered good			
Security Deposits	1.08	1.08	1.08
Non-current total (A)	**1.08**	**1.08**	**1.08**
B.Current			
Considered good			
Security Deposits	1.50	1.50	1.50
Current total (B)	**1.50**	**1.50**	**1.50**
Total (A+B)	**2.58**	**2.58**	**2.58**

Note-9 Inventories

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	23.21	30.91	45.90
Work-in-progress	21.76	21.10	55.53
Finished goods	13.34	14.01	27.31
Stores and Spares	17.97	27.53	28.87
Total	**76.28**	**93.55**	**157.60**

Amounts Recognised in Profit and Loss

(a) Write down of Inventories to Net Realisable Value amounted to Rs 0.49 lakh-Written Down (31st March 2016-Rs 5.36 lakh-Written Down,1St April 2015- Rs 6.52 lakh-Written Down) based on Management Inventory Policy -Non Moving Inventory.These were recognised as an expense during the year and included in "Changes in value of Inventory of Work-in-Process"and "finished goods" in Statement of Profit and Loss.

Note-10 Other current assets

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Export benefit receivables	8.75	8.34	9.20
CENVAT Receivable	5.75	8.58	5.82
Advances to Suppliers	-	-	0.28
Prepaid expenses	5.19	3.46	6.33
Other advances	6.82	-	1.67
Total	**26.49**	**20.38**	**23.31**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-11-Equity Share capital

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
1,00,00,000 Nos [31st March, 2016: 1,00,00,000 Nos and 1st April, 2015: 1,00,00,000 Nos] Equity Shares of Rs. 10 each	1,000.00	1,000.00	1,000.00
Issued, subscribed and fully paid up			
80,54,372 Nos [31st March, 2016: 80,54,372 Nos and 1st April, 2015: 80,54,372 Nos] Equity Shares of Rs. 10 each	805.44	805.44	805.44
	805.44	**805.44**	**805.44**

a) Reconciliation of number of shares

	As at 31st March ,2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year	80,54,372	805.44	80,54,372	805.44	80,54,372	**805.44**
Add: Shares issued during the year						
Balance as at the end of the year	**80,54,372**	**805.44**	**80,54,372**	**805.44**	**80,54,372**	**805.44**

b) Shares held by Parent and subsidiaries of Parent in aggregate

PARTICULARS	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Shares held by JK Files (India) Ltd (Immediate Holding Company)(in Nos.)	72,48,936	72,48,936	72,48,936

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

NAME OF SHAREHOLDERS	As at 31st March ,2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
J K Files (India) Limited	72,48,936	90%	72,48,936	90%	72,48,936	90%
MOB Outilage, S.A.	8,05,436	10%	8,05,436	10%	8,05,436	10%

d) Right, Preference and Restrictions attached to Equity Shares+:

The Company has only one class of equity shares having par value of Rs.10 per share. Each Shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) During the period of five years immediately preceeding the date as at which the balance sheet is prepared has not,

i) Issued any bonus shares
ii) Bought back any shares
iii) Issued any share persuant to contract without payment being received in cash.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-12 Trade payables**

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables			
Amounts due to related parties	-	-	-
Others	148.80	132.49	157.92
Total	**148.80**	**132.49**	**157.92**

Refer **Note-28** for information about credit risk and market risk of trade payables.

****Dues to micro and small enterprises the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').The disclosure pursuant to the said MSMED Act are as follows.**

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
	Current	**Current**	**Current**
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	Nil	Nil	Nil
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil	Nil
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	Nil	Nil	Nil
Further interest remaining due and payable for earlier years	Nil	Nil	Nil

Note-13-Other Current liabilities

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Advance from customers	3.12	2.19	1.53
Staturtoty Dues payable	7.85	9.80	7.48
Total	**10.97**	**11.99**	**9.00**

Note-14 Provisions

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Current			
Provision for employee benefits			
-Gratuity (Funded)	-	7.12	-
-Leave Encashment	15.65	8.44	7.06
Total	**15.65**	**15.55**	**7.06**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

15 **Note 15: Post retirement benefit plans**
As per Actuarial Valuation as on 31st March, 2017, 2016 and 1st April, 2015 recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

	Defined benefit plans		
	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Present value of plan liabilities	(82.24)	-73.84	-62.50
Fair value of plan assets	88.65	66.72	62.50
Plan liability net of plan assets	6.41	-7.12	0.00
Of which in respect of:			
Funded plans in surplus:		-	-
Plan liabilities		-	-
Plan assets			
Plan assets net of plan liabilities		-	-
Funded plans in deficit:			
Plan liabilities		-	-
Plan assets		-	-
Plan liability net of plan assets		-	-

B. Movements in plan assets and plan liabilities

	As at 31st March ,2017			As at 31st March, 2016		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	**66.72**	**(73.84)**	**(7.12)**	**62.50**	**-62.50**	**-**
Current service cost	-	(9.19)	(9.19)	-	-8.68	(8.68)
Employee contributions	-	-	-	-	-	-
Return on plan assets excluding amounts included in net	0.17	-	0.17	(0.00)	-	(0.00)
Finance income/cost	-	-	-	-	-	-
Interest cost	-	(5.94)	(5.94)	-	-4.87	(4.87)
Interest income	5.28	-	5.28	4.87	-	4.87
Actuarial gain/(loss) arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial gain/(loss) arising from changes in financial assumptions	-	(0.59)	(0.59)	-	3.39	3.39
Actuarial gain/(loss) arising from experience adjustments	-	1.68	1.68	-	-2.83	(2.83)
Employer contributions	22.12	-	22.12	1.00	-	1.00
Benefit payments	(5.64)	5.64	-	-1.65	1.65	-
As at 31st March	**88.65**	**(82.24)**	**6.41**	**66.72**	**(73.84)**	**(7.12)**

The liabilities are split between different categories of plan participants as follows:
• active members - 191 (2015-16: 193)
The weighted average duration of the defined benefit plans is 20 years (2015-16 : 20 Y ears)
The Company expects to contribute Rs 18.06 lakh to the funded plans in financial year 2017-18

C. Statement of Profit and Loss

	Year ended 31st March, 2017	Year ended 31st March, 2016
Employee Benefit Expenses:		
Current service cost	9.85	8.68
Total	**9.85**	**8.68**
Finance cost/(income)	-	-
Net impact on the Profit / (Loss) before tax	**9.85**	**8.68**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	0.17	-
Actuarial gains/(losses) arising from changes in financial assumptions	(0.59)	3.39
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	1.68	-2.83
Net impact on the Other Comprehensive Income before tax	**8.59**	**8.12**

D. Assets

	Defined benefit plans		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unquoted			
Others- Insurance Fund	88.65	66.72	62.50
Total	**88.65**	**66.72**	**62.50**

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assumptions			
Discount rate	8.01%	8.05%	7.80%
Salary Escalation Rate			
Management Employees	7.50%	7.50%	7.50%
Non-management Employees	7.50%	7.50%	7.50%
Pension Increase Rate (p.a.)			
Annual Increase in Healthcare Costs Rate*			

**For post retirement medical benefits only*

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table Mortality in Retirement : LIC Buy-out Annuity Rates & UK Published PA (90) Annuity Rates suitably adjusted for Indian Lives.

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

		As at 31st March ,2017		As at 31st March, 2016	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	-13.15	16.60	-11.76	14.87
Salary Escalation Rate	1%	16.52	-13.32	14.80	-11.91

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

Year ending 31 March,	Defined benefit obligation
2018	1.86
2019	2.63
2020	2.09
2021	2.22
2022	2.35
Thereafter	13.93

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note-16 Revenue from Operations

	Year ended 31st March,2017	Year ended 31st March, 2016
Sale of Products		
(i) Manufactured goods	2,069.73	2,384.15
Other operating revenue		
(i) Export Incentives, etc	9.34	11.79
(ii) Process waste sale	32.47	39.80
Total	**2,111.54**	**2,435.73**

Note-17 Other income

	Year ended 31st March,2017	Year ended 31st March, 2016
Interest income	104.54	81.19
Income accrued on Current Investment -FVTPL	3.00	-
Exchange Fluctuation - Gain	-	5.45
Other non-operating income	-	1.37
Total	**107.54**	**88.01**

Note-18 Cost of materials consumed

	Year ended 31st March,2017	Year ended 31st March, 2016
Raw materials consumed		
Opening Stock	30.91	45.90
Purchases	494.73	623.47
Less : Closing Stock	23.21	30.91
Total	**502.43**	**638.46**

Note-19 Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

	Year ended 31st March,2017	Year ended 31st March, 2016
Opening inventories		
Finished goods	14.01	27.31
Work-in-progress	21.10	55.53
	35.11	**82.83**
Closing inventories		
Finished goods	13.34	14.01
Work-in-progress	21.76	21.10
	35.10	**35.11**
Excise duty on increase/ (decrease) of finished goods	0.07	(0.10)
Total	**0.08**	**47.62**

Note-20 Manufacturing and Operating Costs

	Year ended 31st March,2017	Year ended 31st March, 2016
Consumption of stores and spare parts	165.67	200.25
Power and fuel	192.63	228.07
Job work charges	135.28	172.58
Repairs to buildings	3.14	1.37
Repairs to machinery	35.70	44.42
Excise duty on sale of goods	208.04	239.42

(All amounts are in Rs. Lakh, unless stated otherwise)

Other Manufacturing and Operating expenses	43.17	45.23
Total	783.62	931.34

Note-21 Employee benefits expense

	Year ended 31st March,2017	**Year ended 31st March, 2016**
Salaries and wages	391.97	372.59
Contribution to provident funds and other funds	26.65	25.57
Defined benefit plan expense **(Refer note -15)**	9.85	8.68
Workmen and Staff welfare expenses	53.94	55.49
Total	**482.39**	**462.32**

Note-22 Finance costs

	Year ended 31st March,2017	**Year ended 31st March, 2016**
Interest expense on bank overdraft/ short term borrowings	0.06	2.77
Total	**0.06**	**2.77**

Note-23 Depreciation and amortization expense

	Year ended 31st March, 2017	**Year ended 31st March, 2017**
Depreciation on Property, Plant and Equipment	138.48	141.76
Amortization on Intangible assets	-	1.17
Total	**138.48**	**142.93**

Note-24 Other expenses

	Year ended 31st March,2017	**Year ended 31st March, 2016**
Insurance	9.07	4.76
Repairs & Maintainence Others	0.79	1.13
Rates and Taxes	1.33	1.03
Freight, Octroi, etc	6.31	5.09
Legal and Professional Expenses	19.23	23.32
IT outsourced Support Services	13.38	13.09
Travelling & Conveyance	4.98	7.87
Commission	1.55	-
Loss on sale of assets	0.03	2.78
Exchange Fluctuation - Loss	5.58	-
Security Charges	11.06	10.43
Miscellaneous Expenses	17.82	21.58
Total	**91.14**	**91.08**

Note-25 Auditor's Remuneration

	Year ended 31st March,2017	**Year ended 31st March, 2016**
Fees as Auditors:		
a. Audit Fees	1.60	1.60
b Certification Fees	0.10	0.10
c Reimbursement of out-of-pocket expenses	-	0.09
Total	**1.70**	**1.79**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note 26: Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March,2017	Year ended 31st March, 2016
Current tax		
Current year	86.06	68.52
Adjustments for prior periods	-	-
Total current tax	**86.06**	**68.52**
Deferred tax		
Origination and reversal of temporary difference	(16.65)	1.14
Change in tax rates	-	-
Total deferred income tax expense/(credit)	**(16.65)**	**1.14**
Total income tax expense/(credit)	**69.41**	**69.66**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	Year ended 31st March,2017	Year ended 31st March, 2016
Profit / (loss) before tax	220.87	207.22
Enacted income tax rate in India	33.063%	33.063%
Computed Expected Tax Expense	73.03	68.51
Tax at India Income Tax Rate		
Differences due to:		
Change in Opening WDV-Fixed Asset	2.77	1.15
Bonus not considered in Deffered tax	(6.38)	-
Tax Expense Recognised in Statement of Profit and Loss	**69.41**	**69.66**

The effective tax rate was 31.43% (2015-16: 33.61%).

The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

Movement during the year ended March 31, 2016 and March 31,2017	As at 1st April, 2015	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2017
Deferred tax assets/(liabilities)							
Provision for post retirement benefits and other employee benefits	0.96	0.45	-	1.41	3.76	(0.42)	4.75
Depreciation	(49.98)	(1.59)	-	(51.57)	12.89	-	(38.68)
Total	**(49.02)**	**(1.14)**	**-**	**(50.16)**	**16.65**	**(0.42)**	**(33.93)**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)
Note-27- Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Investments in Mutual Fund	-	203.00	203.00	203.00	-	-	203.00	-	-	-	-	-	-	-	-	203.00
Loans	-	1,000.00	1,000.00	-	-	-	-	-	-	-	-	-	-	1,000.00	1,000.00	1,000.00
Other Financial Assets	1.08	1.50	2.58	-	-	-	-	-	-	-	-	-	-	2.58	2.58	2.58
Trade receivable	-	190.87	190.87	-	-	-	-	-	-	-	-	-	-	190.87	190.87	190.87
Cash and Cash Equivalents	-	16.63	16.63	-	-	-	-	-	-	-	-	-	-	16.63	16.63	16.63
	1.08	**1,412.01**	**1,413.08**	**203.00**	**-**	**-**	**203.00**	**-**	**-**	**-**	**-**	**-**	**-**	**1,210.08**	**1,210.08**	**1,413.08**
Financial Liabilities																
Trade Payables	-	148.80	148.80	-	-	-	-	-	-	-	-	-		148.80	148.80	148.80
	-	**148.80**	**148.80**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**148.80**	**148.80**	**148.80**

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans	-	1,000.00	1,000.00	-	-	-	-	-	-	-	-	-	-	1,000.00	1,000.00	1,000.00
Other Financial Assets	1.08	1.50	2.58	-	-	-	-	-	-	-	-	-	-	2.58	2.58	2.58
Trade receivable	-	50.90	50.90	-	-	-	-	-	-	-	-	-	-	50.90	50.90	50.90
Cash and Cash Equivalents	-	59.36	59.36	-	-	-	-	-	-	-	-	-	-	59.36	59.36	59.36
	1.08	**1,111.76**	**1,112.84**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**1,112.84**
Financial Liabilities																
Trade Payables		132.49	132.49	-	-	-	-	-	-	-	-	-	-	132.49	132.49	132.49
	-	**132.49**	**132.49**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**132.49**	**132.49**	**132.49**

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																

(All amounts are in Rs. Lakh, unless stated otherwise)

Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	1.08	1.50	2.58	-	-	-	-	-	-	-	-	-	-	2.58	2.58	2.58
Trade receivable	-	67.08	67.08	-	-	-	-	-	-	-	-	-	-	67.08	67.08	67.08
Cash and Cash Equivalents	-	831.35	831.35	-	-	-	-	-	-	-	-	-	-	831.35	831.35	831.35
	1.08	**899.93**	**901.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**901.01**	**901.01**	**901.01**
Financial Liabilities																
Trade Payables	-	157.92	157.92	-	-	-	-	-	-	-	-	-	-	157.92	157.92	157.92
	-	**157.92**	**157.92**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**157.92**	**157.92**	**157.92**

	As at 31st March ,2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying amount	**Fair Value**	**Carrying amount**	**Fair Value**	**Carrying amount**	**Fair Value**
Financial Assets*						
Investments in Mutual Fund	203.00	203.00	-	-		
Loans	1,000.00	1,000.00	1,000.00	1,000.00	-	
Other Financial Assets*	2.58		2.58		2.58	
	1,205.58	**1,000.00**	**1,002.58**	**1,000.00**	**2.58**	**-**
Financial Liabilities						
Other Financial Liabilities	-	-	-	-	-	-
	-		**-**	**-**	**-**	**-**

* Including Margin money deposits and Term deposits.

Note:-

Listed Financial assets and Financial liabilities, considering the nature of rights and obligations with relevant terms including payable within 12 months from the reporting date, fair value is reasonable considered to be carrying amount as at reporting date.

- Trade Receivables
- Cash and Cash equivalents, other Bank balances including non current deposits.
- Trade Payables, salary payables including payable related to capital goods

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)
Note-28-Risk Management

Financial risk management objectives and policies

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Company financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by Forward Contracts purchasing of goods, commodities and services in the respective currencies.

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

	As at 31st March ,2017		As at 31st March, 2016	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	0.01	(0.01)	0.01	(0.01)
EURO	0.54	(0.54)	0.48	(0.48)
Increase / (decrease) in profit or loss	0.55	(0.55)	0.49	(0.49)

As of the Balance Sheet date, the company's net foreign currency exposures that are not hedged by a derivative instrument or otherwise is Rs.56.32 Lakhs (PY Rs. 50.90 Lakhs)

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable as provision when a debtor fails to make contractual payments greater than 6 months past due. Where loans or receivables have been provided, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)
Note-28-Risk Management

Ageing of Account receivables

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Not due	189.22	25.45	55.63
0-3 months	-	25.45	11.45
3-6 months	1.65	-	-
6 months to 12 months	-	-	-
beyond 12 months	-	-	-
Total	**190.87**	**50.90**	**67.08**

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Variable Borrowing -Cash Credit expires within 1 year	200.00	74.00	190.00

Maturity patterns of other Financial Liabilities

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
As at 31st March 2017						
Trade Payable	8.56	98.11	42.12			148.79
Total	8.56	98.11	42.12	-	-	148.79
As at 31st March 2016						
Trade Payable	22.68	57.93	51.88			132.49
Total	22.68	57.93	51.88	-	-	132.49
As at 1st April 2015						
Trade Payable	15.46	105.74	36.72			157.92
Total	15.46	105.74	36.72	-	-	157.92

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lakh, unless stated otherwise)

Note 29 : Related party disclosures: During the year ended 31st March, 2017

1 Relationship

a. Holding Company
i) Raymond Limited (Ultimate holding company)
ii) J K Files (India) Limited (Holding Company)

b. Associates with whom transaction have taken place during the year
i) MOB Outillage SA
ii) Ring Plus Aqua Limited (RPAL)

Transactions carried out with related parties referred in 1 above:

Nature of Transactions	As at 31st March ,2017				As at 31st March, 2016				As at 1st April, 2015			
	Raymond Ltd	J K Files (India) Ltd	MOB Outillage SA	RPAL	Raymond Ltd	J K Files (India) Ltd	MOB Outillage SA	RPAL	Raymond Ltd	J K Files (India) Ltd	MOB Outillage SA	RPAL
Sales:												
Goods and Materials	-	1,935.04	232.58	-	-	2,222.74	268.18	-	-	2,410.14	318.62	-
DEPB Sale	-	7.17	-	-	-	7.07	-			21.16	-	
Fixed Assets	-	-			-	0.06	-					
Purchases:-												-
Fixed Assets (Including WIP)	-	3.95	-	-	-	33.48	-	-	-	0.10	-	-
Goods and Materials	-	578.41	-	-	-	727.94	-	-	-	989.05	-	-
Expenses:-												
- On Deputation Staff Salary	-	34.08	-	-	-	28.31	-	-	-	15.67	-	-
- Other Reimbursement	2.16	-	-	-	-	-	-	-	0.86	0.74	-	-
Other Receipts :												
Deputation of staff	-	12.59	-	-	-	23.41	-	-	-	12.19	-	-
Other reimbursements	-	-	-	-	-	-	-	-	-	-	-	-
Investment:-												
Inter Corporate Deposit Given	-	-	-	-	-	-	-	1,032.00	-	-	-	-
Inter Corporate Deposit repayment received	-	-	-	-	-	-	-	32.00	-	-	-	-
Interest received on ICD	-	-	-	102.50				44.51				-
Outstanding:-												-
Receivables	-	136.22	54.03		-	-	50.10		-	-	68.81	-
Inter Corporate Deposit Receivable	-	-	-	1,000.00	-	-	-	1,000.00	-	-	-	-

Notes :
1. Related Party relationship is as identified by the Company and relied upon by the Auditors
2. No Amount has been provided for written off / written back pertaining to related parties

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-30 Earnings per share

	Year ended 31st March,2017	Year ended 31st March, 2016
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	149.57	138.13
Weighted average number of equity shares outstanding	80,54,372.00	80,54,372.00
Earnings Per Share (Rs.) - Basic & Diluted (Face value of Rs 10 per share)	1.86	1.71
Earnings Per Share (Rs.) - Diluted (Face value of Rs 10 per share)	1.86	1.71

Note-31 Assets provided as security

The carrying amounts of assets provided as security for current and non-current borrowings against Limit sanctioned are:

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets			
Financial Assets			
First Charge			
Trade receivables	54.65	50.90	67.08
Non Financial Assets			
First Charge			
Property,Plant & Equipment	692.65	819.37	845.40
Inventories	76.28	93.55	157.60
Total Assets provided as security	**823.58**	**963.83**	**1,070.08**

Note- 32 Contingent liabilities (to the extent not provided for)

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
i) Contingent Liabilities			
(a) Bank gaurantee in respect of:			
- Maharastra State Electricity Distribution Co Ltd	25.00	25.00	25.00
- Maharashtra Pollution Control Board	5.00	5.00	5.00
(b) Disputed demands in respect of Income-tax, etc. (Interest thereon not ascertainable at present)	-	-	7.86

Note-33 Commitments (to the extent not provided for)

(a) Capital Commitments
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 31st March ,2017	As at 31st March, 2016	As at 1st April, 2015
Property, plant and equipment	**-**	**2.90**	**64.00**
	-	**2.90**	**64.00**
Less: Capital advances		-	-
Net Capital commitments	-	2.90	64.00
Total Commitments	**-**	**2.90**	**64.00**

Note 34 - Specified Banking Notes
(Dislosure as per MCA Notification no.308E dated 30.03.2017)

(Amount in Rs.)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	NA	-
(+) Permitted receipts	-	NA	-
(-) Permitted payments	-	NA	-
(-) Amount deposited in Banks	-	NA	-
Closing cash in hand as on 30.12.2016	**-**	**NA**	**-**

(All amounts are in Rs. Lakh, unless stated otherwise)

Note-35 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions

(a) Deemed Cost

The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and eqquipments and Intangible assets as deemed cost as at transition date.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
II. A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Statement of total Comprehensive Income for the year ended March 31, 2016
III. Reconcilition of Equity as at April 1, 2015 and March 31, 2016
IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2015

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	11	805.44	-	805.44
Other Equity	11	917.71	-	917.71
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities (Net)	-	49.02	-	49.02
Current liabilities				
Financial Liabilities				
Trade payables	12	157.92	-	157.92
Other current liabilities	13	9.00	-	9.00
Provisions	14	7.06	-	7.06
TOTAL		**1,946.15**	**-**	**1,946.15**
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	846.58	-	846.58
Capital work-in-progress	2	-	-	-
Intangible assets	3	1.17	-	1.17
Financial Assets				-
Other financial assets	8B	1.08	-	1.08
Current assets				
Inventories	9	157.60	-	157.60
Financial Assets				
Trade receivables	5	67.08	-	67.08
Cash and cash equivalents	6	831.35	-	831.35
Loans	7	-		-
Other financial assets	8B	1.50		1.50
Current Tax Assets (Net)		16.48		16.48
Other current assets	10	23.31		23.31
		-		-
TOTAL		**1,946.15**	**-**	**1,946.15**

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	11	805.44	-	805.44
Other Equity		1,055.83	-	1,055.83
				-
LIABILITIES		-		-
Non-current liabilities				-
Deferred tax liabilities (Net)	-	50.17	-	50.17
				-
Current liabilities		-	-	-

Financial Liabilities		-	-	-
Trade payables	12	132.49	-	132.49
Other current liabilities	13	11.99	-	11.99
Provisions	14	15.56	-	15.56
TOTAL		**2,071.48**	**-**	**2,071.48**
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	819.37	-	819.37
Capital work-in-progress	2	5.38	-	5.38
Intangible assets	3	-	-	-
Financial Assets				
Other financial assets	8B	1.08	-	1.08
		-		-
Current assets				
Inventories	9	93.55	-	93.55
Financial Assets				
Trade receivables	5	50.90	-	50.90
Cash and cash equivalents	6	59.36	-	59.36
Loans	7	1,000.00	-	1,000.00
Other financial assets	8B	1.50	-	1.50
Current Tax Assets (Net)		19.95	-	19.95
Other current assets	10	20.39	-	20.39
TOTAL		**2,071.48**	**-**	**2,071.48**

II B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations	16	2,435.73	-	2,435.73
Other Income	17	88.01	-	88.01
Total		**2,523.74**	**-**	**2,523.74**
Expenses				
Cost of materials consumed	18	638.46	-	638.46
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	19	47.62	-	47.62
Manufacturing and Operating Costs	20	931.34	-	931.34
Employee benefits expense	21	461.76	0.56	462.32
Finance costs	22	2.77	-	2.77
Depreciation and amortization expense	23	142.93	-	142.93
Other expenses	24	91.08	-	91.08
Total		**2,315.96**	**0.56**	**2,316.52**
Profit before exceptional items and tax		**207.78**	**(0.56)**	**207.22**
Share of Joint venture and Assosiates		-		-
Exceptional Items		-		-
Profit before tax		**207.78**	**(0.56)**	**207.22**
Tax expense				
Current tax		68.52	-	68.52
Deferred tax (net)	-	1.14	-	1.14
Profit/(Loss) for the year (A)		**138.12**	**(0.56)**	**137.57**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans	21	-	0.56	0.56
Income tax relating to items that will not be reclassified to profit or loss				-
Remeasurements of net defined benefit plans		-	-	-
				-
Other Comprehensive Income for the year (B)		-	0.56	0.56
Total Comprehensive Income for the year (A+B)		**138.12**	**-**	**138.13**
		138.12	**-**	**138.13**

III A Reconcilation of Equity

	Note	As at 31st March, 2016	As at 1st April, 2015
Total equity under local GAAP		1,861.27	1,723.15
Adjustments impact: Gain/ (Loss)		-	
Total IND AS adjustment		**-**	**-**
Total equity under Ind AS		**1,861.27**	**1,723.15**

III B Reconcilition of Income Statement

	Note	For the period ended 31st March'2016
Profit after tax under local GAAP		138.12
Adjustments Gain/ (Loss)		
Acturial gain loss classified to OCI		(0.56)
Total IND AS Impact		(0.56)
Total profit under Ind AS		**137.56**

36 The Company's objectives when managing capital are to
-Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt Consistent with others in the industry.The company has no Debt hence disclosure on Capital Gearing ratio is not given .

37 Figures of the previous year have been regrouped/reclassified wherever necessary to match with the presentation of the current year.

Signatures to Notes 1 to 37

For and on behalf of the Board of Directors of
J K TALABOT LIMITED

sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

sd/-
Archana Panchal
Company Secretary

Mumbai
Date: 26-04-2017

PASHMINA HOLDINGS LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS :	SHRI S.L. POKHARNA SHRI SUBHASH THAKKER SHRI RAMKARAN GANERIWALA
STATUTORY AUDITORS :	MESSRS. V. B. DALAL & CO. CHARTERED ACCOUNTANTS
REGISTERED OFFICE :	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI - 400 001 MAHARASHTRA

PASHMINA HOLDINGS LIMITED
(CIN: U67120MH1983PLC031734)

DIRECTORS' REPORT

To,

The Members of PASHMINA HOLDINGS LIMITED

Your Directors present their Thirty Third Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

The Company made a loss after tax of Rs. 0.06 crore in FY 2016-2017 as compared with Rs. 0.04 crore in the previous year.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2016-17.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

STATUTORY AUDITOR:

The Company's Auditors, Messrs V. B. Dalal & Co., Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting of the Company and due to other commitments, they have expressed their unwillingness to be reappointed as Auditors.

Subject to approval of Members at the ensuing Annual General Meeting, the Board of Directors of the Company has recommended the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), as statutory auditors of the Company in terms of Section 139 of the Companies Act, 2013. As required under the provisions of the Section 139 of the Companies Act, 2013, and the Rules framed thereunder for appointment of the Auditors, the Company has obtained written confirmation from M/s. Chaturvedi & Shah that their appointment if made, would be in conformity with the conditions of the Section and that they satisfy the criteria mentioned in Section 141 of Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no Audit qualification for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is periodically assessed and strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs 0.74 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013, accepted or given by the Company.

9. DIRECTORS AND THEIR MEETINGS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri S. L. Pokharna, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors in their meeting held on April 3, 2017, has appointed Shri Arun Agarwal as an Additional Director. In terms of Section 161 of the Companies Act, 2013, Shri Arun Agarwal holds office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Arun Agarwal as a Director, for the approval by the shareholders of the Company.

Shri R.K. Ganeriwala resigned as Director of the Company with effect from April 3, 2017. The Board has placed on record its sincere appreciation and gratitude for contributions made by him during his tenure.

During the year, 4 Board Meetings were convened and held as detailed below.

The Board Meetings held and Attendance of Directors at the Meetings is given below:

Sr. No.	NAME OF DIRECTOR	DATE OF BOARD MEETING			
		21.04.2016	19.07.2016	24.10.2016	23.01.2017
1	Shri S. L. Pokharna	✓	✓	✓	✓
2	Shri R. K. Ganeriwala	✓	-	-	-
3	Shri Subhash Thakker	✓	✓	✓	✓

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the

Companies Act, 2013 were not attracted. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

11. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of interest rate, business risk, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

12. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the directors have prepared the annual accounts on a going concern basis; and
e. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems in place were adequate and operating effectively.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, there were no steps undertaken by the Company as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo.

14. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **"Annexure A"** to this Report.

15. PARTICULARS OF EMPLOYEES

Since your company is not a listed Company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

16. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

18. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Since the company does not have any employees, this disclosure under the above act is not applicable.

19. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board of
PASHMINA HOLDINGS LIMITED

sd/-	**sd/-**
S. L. Pokharna	**Subhash Thakker**
Director	**Director**
DIN: 01289850	**DIN: 07062791**

Date: 26.04.2017
Place: Mumbai

Annexure - A

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U67120MH1983PLC031734
2.	Registration Date	30/12/1983
3.	Name of the Company	Pashmina Holdings Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non- government Company
5.	Address of the Registered office & contact details	New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai-400 001.
6.	Whether listed company	Unlisted Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
NOT APPLICABLE			

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	**Name and Address of the company**	**CIN / GIN**	**Holding/ Subsidiary/ Associate**	**% of shares Held**	**Applicable section**
1	**Raymond Limited with its Nominees** Mahindra Towers, B Wing, 2nd Floor, P. Budhkar Marg, Worli, Mumbai – 400 018 Maharashtra	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share s	
A. Promoter s									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	740000	740000	100	-	740000	740000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	-	740000	740000	100	-	740000	740000	100	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	740000	740000	100	-	740000	740000	100	-

B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	740000	740000	100	-	740000	740000	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Raymond Limited and its nominees	740000	100	-	740000	100	-	-

C) **Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no Change in the Promoter's Shareholding**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no Change in the Shareholding pattern of top ten Shareholders.			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E) **Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors hold Shares in the Company.			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V. **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	**Particulars of Remuneration**	**Name of MD/WTD/ Manager**				**Total Amount**
		-----	----	----	---	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PASHMINA HOLDINGS LIMITED

We have audited the accompanying Ind AS financial statements of **Pashmina Holdings Limited** (`the Company'), which comprise the Balance Sheet as at **March 31 2017**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standard (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that :

   a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by the Report are in agreement with the books of account;

   d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of written representative received from the directors as on March, 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub-section (2) of section 164;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-B.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 17 to the Ind AS financial statement;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management-Refer Note 6 to the Ind AS financial statements

FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated:

sd/-
(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

PASHMINA HOLDINGS LIMITED

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PASHMINA HOLDINGS LIMITED

Referred to in paragraph 1 of Report on other Legal and Regulatory Requirements of our report of even date.

On the basis of such checks as we considered appropriate and in terms of the information & explanation given to us, we report that:

1. As explained to us and on the basis of such checks as we considered appropriate, the item no. (ii) (ix), (xi), (xii), (xiv) and (xvi) of the Para. 3 of the order, in our opinion, not applicable to the Company and hence not commented upon by us.

2. a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

   b. The Fixed assets have been physically verified by the management at reasonable intervals; According to the information and explanations given to us no material discrepancies were noticed on such verification;

   c. The title deeds of all the immovable properties are in the name of the Company, except for 2.2125 acres of land at Gat No. 319 and 311/1 at Awas and Jirad, District Alibaug, Maharashtra, which are in the name of a nominee of the Company.

3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanation given to us, the provisions of section 185 and 186 have been duly complied with in respect of loans, investments, guarantees given by the Company.

5. According to the information and explanations given to us and to the best of our knowledge, the company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under;

6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act for the year under review.

7. a) According to the record of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities.

   b) According to the information and explanation given to us there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute and the forum where dispute is pending are as disclosed in Note 13(6) to the Ind AS financial statement.

8. Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders.

9. Based upon the audit procedure performed and information and explanation given by the management, we report that no fraud on the company or by its officers or employees has been noticed or reported during the course of our audit.

10. Based upon the audit procedure performed and information and explanation given by the management, we report that all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, and details thereof have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

11. Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the Company has not entered into any non cash transaction with directors or any person connected to him.

FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated:

sd/-
(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

PASHMINA HOLDINGS LIMITED

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE *Ind AS* FINANCIAL STATEMENTS OF PASHMINA HOLDINGS LIMITED

Referred to in paragraph 2(f) of Report on other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Pashmina Holdings Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of the material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated:

sd/-

(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

Pashmina Holdings Limited
Balance Sheet as at 31st March, 2017

	Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	2	106,403,225	106,491,176	104,844,105
	(b) Financial Assets				
	(i) Investments	3	3,663,432	2,353,908	3,722,040
	(ii) Others financial assets	4	60,800	60,800	60,800
	(c) Other non - current assets	5	-	-	3,184,260
2	**Current assets**				
	(a) Financial Assets				
	(i) Investments	3	2,416,585	2,910,297	-
	(ii) Cash and cash equivalents	6	147,070	62,451	1,944,399
	(b) Assets for Current Tax (Net)		9,248,686	9,320,966	8,317,186
	(c) Other current assets	5	-	2,557	2,244
	TOTAL ASSETS		121,939,797	121,202,155	122,075,034
II	**EQUITY AND LIABILITIES**				
1	**Equity**	7			
	a) Equity share capital		7,400,000	7,400,000	7,400,000
	b) Other equity				
	(i) Reserves & Surplus		110,257,485	110,829,467	111,215,277
	(ii) Other Reserves (OCI)		4,259,312	2,949,788	3,448,521
2	**Liabilities**				
	Current liabilities				
	(a) Financial Liabilities				
	(i) Other financial liabilities	8	23,000	22,900	11,236
	TOTAL LIABILITIES		121,939,797	121,202,155	122,075,034
	Significant Accounting Policies	1			

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai,
Date : 26.04.17

sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

Pashmina Holdings Limited
Statement of Profit and Loss for the year ended 31st March, 2017

	Particulars	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
I	**Other Income**	9	553,488	512,467
	Total Income		553,488	512,467
II	**Expenses**			
	Depreciation expense	10	57,789	57,789
	Other expenses	11	995,830	772,488
	Total expenses		1,053,619	830,277
III	**Loss before tax (I - II)**		(500,132)	(317,810)
IV	**Tax expense**			
	Current tax	12	22,133	68,000
	MAT Credit availed		(22,133)	-
	Short provision of Earlier year		71,850	-
V	**Loss after tax for the period (III - IV)**		(571,982)	(385,810)
VI	**Other Comprehensive Income for the year**		-	-
	Items that will not be reclassified to Profit and Loss			
	i) Changes in Fair Value of FVOCI equity instrument		1,309,524	(587,510)
	ii) Gain on Sale of FVOCI equity instrument		-	88,777
			1,309,524	(498,733)
VII	**Total Comprehensive Income for the year (V+VI)**		737,542	(884,543)
VIII	**Earnings per equity share**	13		
	Basic		(0.77)	(0.52)
	Diluted		(0.77)	(0.52)
	Significant Accounting Policies	1		

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai,
Date : 26.04.17

sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

PASHMINA HOLDINGS LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

	Year Ended 31st March, 2017 Rs.	Rs.	Year Ended 31st March, 2016 Rs.	Rs.
A. Cash Flow arising from Operating Activities:				
Net Profit before Tax as per Profit and Loss Statement		-500,132		494,218
Add/(Deduct): a) Depreciation Charge	57,789		57,789	
b) Profit on sale of investment	-		-812,028	
c) Loss on sale of asset	5,162		-	
d) Dividend Income	-208,488	-145,537	-152,117	-906,356
Operating Cash Profit before Working Capital Changes		-645,668		-412,138
Add/(Deduct): a) (Increase)/Decrease in Trade and Other Receivables	2,557		-313	
b) Increase/(Decrease) in Trade and Other Payables	100		11,664	
		2,657		11,351
Cash Inflow from Operations		-643,011		-400,787
Add/(Deduct):				
Direct Taxes Refund / (paid) - Net		431		-1,071,780
Cash Inflow/(Outflow) before Prior Period Adjustments		-642,580		-1,472,567
Add/Deduct: Prior Period Adjustments		-		-
Net Cash Inflow/(Outflow) in the course of Operating Activities		-642,580		-1,472,567
B. Cash Flow arising from Investing Activities:				
Inflow:				
a) Income from Mutual Funds	69,700		152,117	
b) Sale of Investments	632,500		869,397	
c) Sale of Asset	25,000			
d) Refund of Capital Advances	-	727,200	2,979,400	4,000,914
Outflow: a) Acquisition of Fixed Assets/Capital Advances	-		1,500,000	
b) Acquisition of Investments	-	-	2,910,297	4,410,297
Net Cash Inflow/(outflow) in the course of Investing Activities		727,200		-409,383
Net Increase (Decrease) in Cash/Cash Equivalents (A + B)		84,620		-1,881,950
Add: Balance at the beginning of the year		62,451		1,944,401
Cash/Cash Equivalent at the close of the year		147,070		62,451

As per our Report of even date
For V.B. DALAL & CO
Chartered Accountants

sd/-
Membership No. 10373
F. R. No. 102055W
Mumbai,
Date : 26.04.17

sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

Note 1 - Significant accounting policies and other Notes to the Financial Statements

A. Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

B. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

C. The Company follows the Mercantile System of accounting.

D. Investments and other financial assets

(i) Classification

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

(i) those to be measured subsequently at fair value (either through other comprehensive income, through the Statement of Profit and Loss), and

(ii) those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

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

a. Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principle and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

b. Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit and Loss. 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

E. **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 and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Vehicles and Electrical Installations is provided on a Straight Line Method, over the estimated useful life of assets.

F. **Income Tax**

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

G. **Earnings Per Share**

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

H. **Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft 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 .

I. **Segment Reporting :**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

J. **Provisions and contingent liabilities**

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017
Note :- 2 - Property, Plant and Equipment

	Particulars	Land (freehold)*	Vehicles	Electical Installations	Total
A	**Deemed Cost**				
	Balance as at 1st April 2015	104,209,193	30,162	604,750	104,844,105
	Additions	1,704,860	-	-	1,704,860
	Disposals	-	-	-	-
	Balance as at 31st March 2016	105,914,053	30,162	604,750	106,548,965
	Additions				-
	Disposals		30,162		30,162
	Balance as at 31st March 2017	105,914,053	-	604,750	106,518,803
B	**Accumulated Depreciation**				
	Balance as at 1st April 2015	-	-	-	-
	Additions	-	-	57,789	57,789
	Disposals	-	-	-	-
	Balance as at 31st March 2016	-	-	57,789	57,789
	Additions			57,789	57,789
	Disposals		-		-
	Balance as at 31st March 2017	-	-	115,578	115,578
C	**Net Block (A-B)**				
	Balance as at 1st April 2015	104,209,193	30,162	604,750	104,844,105
	Balance as at 31st March 2016	105,914,053	30,162	546,961	106,491,176
	Balance as at 31st March 2017	105,914,053	-	489,172	106,403,225

*** Includes Rs.1,56,43,750/- held in the name of nominee.**

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017

Note 3 - Financial Assets - Investments

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current investments			
A. Equity instruments			
Fair value through Other Comprehensive Income			
Quoted			
J.K. Tyre & Industries Limited (27880 Equity Shares of Rs.2 each)	3,663,432	2,353,908	3,722,040
Total (A)	3,663,432	2,353,908	3,722,040
Current investments			
A. Other instruments			
Fair value through profit or loss			
Unquoted			
Investments in Mutual Funds			
SBI MF - Magnum Insta Cash Fund NAV of Rs.1385.29/-	2,416,585	2,910,297	-
Total (B)	**2,416,585**	**2,910,297**	**-**
Investments total (A+B)	**6,080,016**	**5,264,205**	**3,722,040**

Note 4 - Financial Assets - Others financial assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current Assets			
Considered good			
Security Deposits			
Deposits with others	60,800	60,800	60,800
Total	**60,800**	**60,800**	**60,800**

Note 5 - Other Non - current assets & Current Assets

(a) Other non-current assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	-	-	3,184,260
Total	-	-	3,184,260

(b) Other current assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Prepaid expenses	-	2,557	2,244
Total	-	**2,557**	**2,244**

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017
Note 6 - Current assets
Cash and cash equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks			
In current accounts	147,070	62,451	1,944,399
Total	**147,070**	**62,451**	**1,944,399**

Details of sepcified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Premitted receipts	-	-	-
(-) Premitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

Note 7 - Equity
(a) Equity Share capital

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
1000 [31st March, 2016: 1000 and 1st April, 2015: 1000] Cumulative Preference Shares of Rs.100 each	100,000	100,000	100,000
10,00,000 [31st March, 2016: 10,00,000 and 1st April, 2015: 10,00,000] Equity Shares of Rs.100 each	10,000,000	10,000,000	10,000,000
Issued, subscribed and fully paid up			
7,40,000 [31st March, 2016: 7,40,000 and 1st April, 2015: 7,40,000] Equity Shares of Rs.10 each	7,400,000	7,400,000	7,400,000
	7,400,000	**7,400,000**	**7,400,000**

i) Reconciliation of number of shares

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year	740,000	7,400,000	740,000	7,400,000	740,000	7,400,000
Add: ESOP shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	**740,000**	**7,400,000**	**740,000**	**7,400,000**	**740,000**	**7,400,000**

ii) Rights, preferences and restrictions attached to shares

Equity shares: The Company has issued only one class of equity shares having face value of Rs. 10/- each.Each Share holder is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts, if any.

iii) Shares held by Parent and subsidiaries of Parent in aggregate

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares of Re. 1 held by:			
7,40,000 [31st March, 2016: 7,40,000 and 1st April, 2015: 7,40,000 shares] held by Parent	740,000	740,000	740,000

Pashmina Holdings Limited
Statement of Changes in Equity for the year ended 31st March, 2017
Note 7 - Equity
(b) Other Equity

Particulars	Note No.	Reserves & Surplus				(ii) Other Reserves (OCI)	Total (i+ii)
		Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	(i) Total Reserves & Surplus		
Balance as at 01.04.2015		65,000,000	50,000	46,165,277	111,215,277	3,448,521	114,663,798
Add : Profit for the year				(385,810)	(385,810)		(385,810)
Add : Other Comprehensive Income for the year					-	(498,733)	(498,733)
Balance as at 31.03.2016		65,000,000	50,000	45,779,467	110,829,467	2,949,788	113,779,255
Add : Profit for the year				(571,982)	(571,982)		(571,982)
Add : Other Comprehensive Income for the year					-	1,309,524	1,309,524
Balance as at 31.03.2017		65,000,000	50,000	45,207,485	110,257,485	4,259,312	114,516,797

Note 8 - Current Liabilities - Other current financial liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Liabilities			
(a) Other payables	23,000	22,900	11,236
Total	23,000	22,900	11,236

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017
Note 9 - Other income

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Dividend income		
- Others - From Mutual funds	208,488	152,117
Rent and compensation	345,000	360,000
Interest on Income Tax Refund	-	350
Total	553,488	512,467

Note 10 - Depreciation and amortization expense

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment	57,789	57,789
Total	57,789	57,789

Note 11 - Other expenses

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Rentals	288,000	288,000
Insurance	2,557	6,169
Rates & Taxes	-	315,000
Auditor's Remuneration	23,000	22,900
Legal and Professional Expenses	663,776	130,807
Loss on sale of asset	5,162	-
Miscellaneous Expenses *	13,335	9,612
Total	995,830	772,488

*** Miscellaneous expenses include:**

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Bank Charges	10,335	412
Demat Charges	-	3,201
ROC Filling Fees	3,000	6,000
Total	13,335	9,612

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017

Note 12: Income Taxes

A. Tax expense recognised in the Statement of Profit and Loss

Particulars	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**
Current year	22,133	68,000
MAT Credit availed	(22,133)	
Adjustments for prior periods	71,850	-
Total current tax	**71,850**	**68,000**
Deferred tax		
Origination and reversal of temporary difference	-	-
Change in tax rates	-	-
Total deferred income tax expense/(credit)	-	-
Total income tax expense/(credit)	**71,850.00**	**68,000.00**

B. Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate

Particulars	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**
Profit before tax	**(5,00,132)**	**(3,17,810)**
Enacted income tax rate in India	**29.87%**	**19.06%**
Tax at India Income Tax Rate	**(1,49,389)**	**(60,559)**
Differencial in tax due to:		
i) Expenses not deductible for tax purposes		
-Depreciation	17,262	-
-Insurance Expenses	764	
-Loss on sale of asset	1,542	-
-Rates & Taxes	-	-
-Bank Charges	3,087	
-Demat Charges	-	610
-Legal and Professional Expenses	1,95,283	-
-Disallowance as per rule 8D (1% of Average Investment)	15,861	1,620
ii) Income exempt from Income taxes		
-Others - From Mutual funds	(62,275)	(28,986)
iii) Net gain on sale of investment considered in OCI	-	1,54,732
Tax as per Statement of Profit and Loss	**22,133**	**67,417**
MAT Credit utilised	**22,133**	-
Net Tax	-	**67,417**

The effective tax rate29% +3%cess i.e. 29.87%

Note 13 - Earnings per share

Particulars	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**
Earnings Per Share has been computed as under:		
Loss for the year	(5,71,982)	(3,85,810)
Weighted average number of equity shares outstanding	7,40,000	7,40,000
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)	(0.77)	(0.52)

** Diluted Earing Per Share is same as Basic Earning Per Share.

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017

Note - 14 - Financial Risk Management

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of other Financial Liabilities

As at 31.03.2017

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	23,000	-	-	-	23,000
Total	-	23,000	-	-	-	23,000

As at 31.03.2016

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	22,900	-	-	-	22,900
Total	-	22,900	-	-	-	22,900

As at 01.04.2015

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	11,236	-	-	-	11,236
Total	-	11,236	-	-	-	11,236

Note - 15 - Fair Value Measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	3,663,432	-	3,663,432		-	-	-	3,663,432			3,663,432	-	-	-	-	3,663,432
- Mutual funds	-	2,416,585	2,416,585	-	-	-	-				-	-	2,416,585		2,416,585	2,416,585
											-					-
	3,663,432	2,416,585	6,080,016	-	-	-	-	3,663,432	-	-	3,663,432	-	2,416,585	-	2,416,585	6,080,016
Other Assets																
Other Financial Assets	60,800	-	60,800				-							60,800	60,800	60,800
Cash and Cash equalents	-	147,070	147,070				-							147,070	147,070	147,070
	3,724,232	2,563,654	6,287,886	-	-	-	-	3,663,432	-	-	3,663,432	-	2,416,585	207,870	2,624,454	6,287,886
Financial Liabilities																
Trade Payables	-	23,000	23,000											23,000	23,000	23,000
	-	23,000	23,000	-	-	-	-	-	-	-	-	-	-	23,000	23,000	23,000

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	2,353,908	-	2,353,908				-	2,353,908			2,353,908			-	-	2,353,908
- Mutual funds	-	2,910,297	2,910,297	-			-				-	-	2,910,297	-	2,910,297	2,910,297
			-				-				-			-	-	-
	2,353,908	2,910,297	5,264,205	-	-	-	-	2,353,908	-	-	2,353,908	-	2,910,297	-	2,910,297	5,264,205
Other Assets																
Other Financial Assets	60,800		60,800				-							60,800	60,800	60,800
Cash and Cash equalents		62,451	62,451				-							62,451	62,451	62,451
	2,414,708	2,972,748	5,387,456	-	-	-	-	2,353,908	-	-	2,353,908	-	2,910,297	123,251	3,033,548	5,387,456
Financial Liabilities																
Trade Payables		22,900	22,900											22,900	22,900	22,900
	-	22,900	22,900	-	-	-	-	-	-	-	-	-	-	22,900	22,900	22,900

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	3,722,040	-	3,722,040				-	3,722,040			3,722,040	-	-	-	-	3,722,040
- Mutual funds	-	-	-				-	-			-	-	-		-	-
							-				-	-	-	-	-	-
	3,722,040	-	3,722,040	-	-	-	-	3,722,040	-	-	3,722,040	-	-	-	-	3,722,040
Other Assets																
Other Financial Assets	60,800		60,800				-							60,800	60,800	60,800
Cash and Cash equalents		1,944,399	1,944,399				-							1,944,399	1,944,399	1,944,399
	3,782,840	1,944,399	5,727,239	-	-	-	-	3,722,040	-	-	3,722,040	-	-	2,005,199	2,005,199	5,727,239
Financial Liabilities																
Trade Payables		11,236	11,236	-	-	-		-	-	-		-	-	11,236	11,236	11,236
	-	11,236	11,236	-	-	-	-	-	-	-	-	-	-	11,236	11,236	11,236

	As at 31st March'17		As at 31st March'16		As at 1st April'15	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Investments						
Equity instruments	-	3,663,432	-	2,353,908	-	3,722,040
Investment in Mutual Fund	2,416,585	2,416,585	2,910,297	2,910,297	-	-
Other Financial Assets	60,800	60,800	60,800	60,800	60,800	60,800
Cash and Cash equalents	147,070	147,070	62,451	62,451	1,944,399	1,944,399
	2,624,454	6,287,886	3,033,548	5,387,456	2,005,199	5,727,239
Financial Liabilities						
Trade Payables	23,000	23,000	22,900	22,900	11,236	11,236
	23,000	23,000	22,900	22,900	11,236	11,236

Note 16: Related party disclosures

A. Relationships

(a) Holding Company

Raymond Limited

(b) Company has other related parties but it has not entered into any transaction with them during the current or previous year.

(c) Key Management Personnel :

Directors :

Mr. Ramkaran Ganeriwala

Mr. Shantilal Pokharna

Mr. Subhash Thakker

Note: Related parties are as identified by the Company and relied upon by the auditors.

B. Transactions carried out with Related parties referred in A (a) above, in ordinary course of business:

Nature of Transactions	Related Parties referred in A (a)	
	2016-17	2015-16
Expenses		
Rent	280,000	280,000

Note 17: Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent Liabilities

Particulars	**As at 31st March, 2017**	**As at 31st March, 2016**	**As at 1st April, 2015**
Disputed demands in respect of Income-tax, etc. (Interest thereon not ascertainable at present)			
>Under appeal at CIT (A) level (paid Rs.68,35,355/-)	-	7,110,006	7,110,006
>Under appeal at Income Tax Appellate Tribunal Level (paid Rs.68,35,355/-)	7,110,006	-	-
>Under appeal at High Court (paid Rs.9,73,920/-)	973,920	973,920	973,920

(b) Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	**As at 31st March, 2017**	**As at 31st March, 2016**	**As at 1st April, 2015**
Property, plant and equipment	-	-	6,368,520
Less: Capital advances	-	-	3,184,260
Net Capital commitments	**-**	**-**	**3,184,260**

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2017

Note - 18 **First-time adoption of Ind AS**

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. **Optional Exemptions**

(a) **Deemed Cost**
The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and eqquipments and Intangible assets as deemed

(b) **Investments in subsidiaries, joint ventures and associates**
The Company has opted para D14 and D15 and accordingly considered the cost of Investments as deemed cost as at transition date.

B. **Mandatory Exceptions**

(a) **Estimates**
An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

C. **Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
II. A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Statement of total Comprehensive Income for the year ended March 31, 2016
III. Reconcilition of Equity as at April 1, 2015 and March 31, 2016

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2015

	Note	Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	7(a)	7,400,000	-	7,400,000
Other Equity	7(b)	111,215,279	3,448,521	114,663,800
LIABILITIES				
Current liabilities				
Other financial liabilities	8	11,236	-	11,236
TOTAL		118,626,515	3,448,521	122,075,036
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	104,844,106	-	104,844,105
Non Current Investment	3	273,519	3,448,521	3,722,040
Long - term loans and advances	5(a)	3,245,060	(60,800)	3,184,260
Other financial assets	5(a)	-	60,800	60,800
Current assets				
Cash and cash equivalents	6	1,944,401	-	1,944,401
Current Tax Assets (Net)		8,317,186	-	8,317,186
Other current assets	5(b)	2,244		2,244
TOTAL		118,626,515	3,448,521	122,075,036

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Note	Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	7(a)	7,400,000	-	7,400,000
Other Equity	7(b)	111,641,495	2,137,760	113,779,255
LIABILITIES				
Current liabilities				
Other financial liabilities	8	22,900		22,900
TOTAL		119,064,395	2,137,707	121,202,155
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	106,491,176	-	106,491,176
Non Current Investment	3	216,148	2,137,760	2,353,908
Long - term loans and advances	5(a)	60,800	(60,800)	-
Other financial assets			60,800	60,800
Current assets				-
Investments	3	2,910,297		2,910,297
Cash and cash equivalents	6	62,451		62,451
Current Tax Assets (Net)		9,320,966		9,320,966
Other current assets	5(b)	2,557		2,557
TOTAL		119,064,395	2,137,760	121,202,155
		-		-

II B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Revenue from Operations			-	-
Other Income	9	1,324,495	(812,028)	512,467
Total		1,324,495	(812,028)	512,467
Expenses				
Depreciation and amortization expense	10	57,789		57,789
Other expenses	11	772,488		772,488
Total		830,277	-	830,277
Profit before tax		494,218	(812,028)	(317,810)
Tax expense				
Current tax		68,000	-	68,000
Profit/(Loss) for the year (A)		426,218	(812,028)	(385,810)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Equity instruments through Other Comprehensive Income		-	(498,733)	(498,733)
Other Comprehensive Income for the year (B)		-	(498,733)	(498,733)
Total Comprehensive Income for the year (A+B)		426,218	(1,310,761)	(884,543)

III A **Reconcilation of Equity**

	31st March'2016	1st April'2015
Total equity under Previous GAAP	119,041,495	118,615,279
Adjustments impact: Gain/ (Loss)		
Fair valuation of Investment- OCI	2,137,760	3,448,521
Total IND AS adjustment	2,137,760	3,448,521
Total equity under Ind AS	121,179,255	122,063,800

III B **Reconcilition of Income Statement**

	Year ended 31st March'2016
Profit/(Loss) after tax under Previous GAAP	426,218
Adjustments Gain/ (Loss)	
Fair Valuation of Investment	(498,733)
Gain on sale of investment classified to Other Comprehensive Income	(812,028)
Total IND AS Impact	(1,310,761)
Total Profit/ (Loss) under Ind AS	(884,543)

(9) **Segment Information**

(A) Composition of segments

Primary Segment reporting (by Business segments)

Property Division

Investment Division

Segment Revenues and Other informations

Particulars	Property	Investment	Total
Segment Revenue	Rs.	Rs.	Rs.
External Revenue	345,000 *(360,000)*	1,518,011 *(964,145)*	1,863,011 *(1,324,145)*
Unallocated Revenue	- *(-)*	- *(-)*	- *(350)*
Total Revenue	345,000 *(360,000)*	1,518,011 *(964,145)*	1,863,011 *(1,324,495)*
Segment Result before tax	(18,843) (7,630)	1,518,011 (960,944)	1,499,168 *(968,575)*
Less: Provision for taxation (unallocated)			71,850 *(68,000)*
Add: Unallocated Income			- *(350)*
Less: Unallocated expenses			689,776 *(474,707)*
Net Profit after tax			737,542 *(426,218)*
Segment Assets	106,464,025 *(106,616,984)*	6,080,016 *(5,264,205)*	112,544,041 (111,881,189)
Unallocated assets			9,395,756 *(9,320,966)*
Total Assets			121,939,797 *(121,202,155)*
Segment Liabilities	- *(-)*	- *(-)*	- *(-)*
Unallocated Liabilities			23,000 *(22,900)*
Total Liabilities			23,000 *(22,900)*
Capital Expenditure			
Segment Capital Expenditure	- *(1,704,860)*		
Depreciation	57,789 *(57,789)*		

Note: Previous year's figures are shown in italics.

(B) All the operations of the Company are carried on in India.

As per our Report of even date
For V. B. Dalal & Co.

sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai
Date : 26.04.17

sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

(9) Segment Information
(A) Composition of segments

Primary Segment reporting (by Business segments)
Property Division
Investment Division

Particulars	Property Division	Investment Division	Total Company
Segment Revenue - External			
Dividend on Shares/Mutual Funds	-	2,08,488	2,08,488
Rent & Service Charges (Bus. Pre.)	3,45,000	-	3,45,000
Profit on sale of investment	-	-	-
Net Gain on Fair valuation of Investment		13,09,524	13,09,524
Unallocated Revenue:	-	-	-
Interest on IT refund			
Total Revenue:	3,45,000	15,18,011	18,63,011
Expenses:			
Rent	2,88,000	-	288,000
Depreciation	57,789	-	57,789
Bank Charges	10335	-	10335
Insurance Expenses	2,557		2557
Loss on Sale of Asset	5162	-	5162
Total Expenses:	363,843	-	363,843
Segment Result before tax	(18,843)	15,18,011	14,99,168
Unallocated Expenses			
Auditors' Remunerations	23000	-	23,000
ROC Filling fees	3,000	-	3,000
Professional Fees	6,53,776	-	653,776
Income tax appeal fees	,10,000	-	10,000
	6,89,776	-	**6,89,776**
Provision for taxation			22,133
Taxation for earlier years		-	49,717
Net Profit after tax			7,37,542

Particulars	Property Division	Investment Division	Total Company
Segment Assets			
Fixed Assets (Net)	106,403,225	-	106,403,225
Investments (Net of diminution value)	-	6,080,016	6,080,016
Other Advances	60,800	-	60,800
Unallocated assets			-
Cash and Bank Balances	-	-	147,070
Taxes paid	-	-	9,248,686
Total Assets	106,464,025	6,080,016	121,939,797
Segment Liabilities			
Sundry Creditors	-	-	-
			-
Unallocated Liabilities			-
Audit Fees Payable	23,000		23,000
Professioanl Fees payable			-
TDS payable			-
Taxation Provisions			-
Total Liabilities	23,000	-	23,000
Capital Expenditure			
Segment Capital Expenditure	-	-	-
			-
Depreciation and Amortisation	57,789	-	57,789

(B) All the operations of the Company are carried on in India.

PASHMINA HOLDINGS LIMITED
YEAR ENDING 31-03-2017
ASSESSMENT YEAR : 2017-2018
COMPUTATION OF INCOME

	Rupees	Rupees
Net Profit as per Profit & Loss Account before other Comprehensive Income		(500,132)
Less: Income Considered Seperately		
Net gain on Fair Valuation of Investment		
Dividend on Mutual Funds exempt u/s. 10 (35)	138,788	
Dividend Received	69,700	208,488
		(708,619)
Add: Items Considered as disallowance		
Professional Charges	653,776	
Bank Charges	10,335	
Insurance Expenses	2,557	
Loss on sale of assets	5,162	
Depreciation	57,789	729,619
Business Income		21,000
Add : Disallowances u/s. 14A of I. T. Act		
Demat Charges	-	
Disallowance as per rule 8D (1% of Average Monthly Investment)		
(Investment SBI MF as at 31.03.2016 Rs.29,10,296.97 +		
Investment as at 31.03.2017 Rs.24,06,864.46)/2)12*1%	29,559	
Investment Equity Shares as at 31.03.2017 Rs.23,53,908*1%	23,539	53,099
* Disallowance maximum restricted to expenses claim in P & L		
Total Taxable Business Income		74,099
CAPITAL GAIN		
Short Term Capital Gain- SBI MF Daily Dividend		
Sale consideration 29/04/2014		
Less : Cost of purchase 01/11/2013		
	-	
Long Term Capital Gain on sale of Equity shares	-	
Exempt u/s 10(38)		
Net Taxable Income		74,099
Less : Settoff business loss AY 15-16		-
BALANCE TAXABLE INCOME		74,099
Income Tax Payable @ 29%		21,489
Education Cess 3%		645
		22,133
MAT credit Utilised		22,133
		-
Advance Tax	-	
TDS	-	-
Amount Payable		-

PROVISION FOR INCOME TAX UNDER MAT		
Net Profit as per Profit & Loss Account before other Comprehensive Income		(500,132)
Add: Disallowances u/s. 14A		53,099
Demat Charges		-
		(447,033)
Less: Income Exempt		
Net gain on Fair Valuation of Investment	-	
Dividend	208,488	
		208,488
Book Profit		(655,521)
Tax @ 18.50% on Book Profit		
Education Cess 3%		-
Less: Advance Tax & TDS	-	
Self Asst tax 24/4/2015	-	-
Amount Payable / (Refund)		-

RAYMOND APPAREL LIMITED

ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI GAUTAM HARI SINGHANIA, Chairman
	:	DR. VIJAYPAT SINGHANIA
	:	SMT. ASHADEVI SINGHANIA
	:	SHRI I.D. AGARWAL, Independent Director
	:	SHRI NIRVIK SINGH, Independent Director
	:	SHRI GAURAV DALMIA, Independent Director
	:	SHRI JOYDEEP BHATTACHARYA, Independent Director
	:	SHRI SANJAY BEHL
KEY MANAGERIAL PERSONNEL	:	SHRI SANJAY BEHL, Manager SHRI BIBEK AGARWALA, Chief Financial Officer SMT. PRITI ALKARI, Company Secretary
STATUTORY AUDITORS	:	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO.1, THANE – 400606, MAHARASHTRA

RAYMOND APPAREL LIMITED

CIN: U18109MH2006PLC262077

Board's Report

To
The Members,

Your Directors are pleased to present the Eleventh Annual Report together with the Audited Financial Statement of Accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY (STANDALONE)

This Company brings to its customers stylish and innovative wardrobe solutions through some of India's most prestigious brands – Raymond Premium Apparel, Park Avenue and Parx. The Gross Revenue of the Company for FY 2017 stood at ₹ 981.78 crore (Previous Year: ₹ 825.77 crore). Profit after tax for the year stood at ₹ 8.03 crore (Previous Year: ₹ 20.84 crore).

Pursuant to Scheme of Arrangement between Color Plus Fashions Limited (CPFL) and Raymond Apparel Limited (RAL), the Ready-made Garments and Accessories Undertaking / Business of CPFL is being demerged into RAL. Necessary Applications was made by both the Companies to National Company Law Tribunal (NCLT), Mumbai Bench. By an order dated February 23, 2017 of the NCLT, meetings of the respective shareholders of RAL and CPFL were held on April 12, 2017. RAL and CPFL are in the process of obtaining the approval of the NCLT, Mumbai Bench for the said Scheme of Arrangement.

2. DIVIDEND

With a view to conserve resources for the Company's growth plan, the Directors neither recommend dividend on the Equity Shares nor paid dividend on Preference Shares for the year under review.

3. RESERVES

Your company has not transferred any amount to the General Reserves of the Company.

4. SUBSIDIARY COMPANY AND CONSOLIDATED ACCOUNTS

Color Plus Fashions Limited

This company operates as the ready-to-wear premium casual lifestyle brand for men under the 'Colorplus' brand. The company's Gross Revenue for FY 2017 was ₹269.32 crore (Previous Year: ₹ 264.78 crore). This company incurred a Loss of ₹12.15 crore (Previous Year: Loss of ₹4.27 crore).

5. CONSOLIDATED ACCOUNTS

In accordance with Rule 6 of Companies (Accounts) Rules, 2014, your Company is not required to consolidate the financial statement with its subsidiary since the Company is an intermediate wholly owned subsidiary of Raymond Limited.

6. AUDITORS

(a) Statutory Audit

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and the Rules made thereunder the term of office of Messrs Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Company places on record its appreciation for the services rendered by M/s. Dalal & Shah LLP, Chartered Accountants as Statutory Auditors of the Company.

Further, subject to approval of the members in the ensuing Annual General Meeting, the Board of Directors of the Company has recommended the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), as statutory auditors of the Company in terms of Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

(b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs. Ashish Bhatt & Associates, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **"Annexure A".**

There is no qualification in the secretarial audit report for the year under review.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

8. SHARE CAPITAL

During the year under review, the Company has issued and allotted 2,19,200 Equity shares against the conversion of 28,50,000 Zero Coupon Compulsory Convertible Debentures.

Consequently, the paid up Equity Share Capital was increased from ₹ 36.30 crore to ₹ 36.52 crore. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Sanjay Behl, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

During the year, four Board meetings were held on April 26, 2016, July 21, 2016, October 25, 2016 and January 25, 2017.

Sr. No.	Name of Director	DATE OF BOARD MEETING			
		26.04.2016	21.07.2016	25.10.2016	25.01.2017
1	Dr. Vijaypat Singhania	-	-	✓	-
2	Smt. Ashadevi Singhania	-	✓	✓	-
3	Shri Gautam Hari Singhania	✓	✓	✓	✓
4	Shri I.D. Agarwal	✓	✓	✓	✓
5	Shri Nirvik Singh	✓	✓	-	✓
6	Shri Gaurav Dalmia	✓	✓	-	✓
7	Shri Joydeep Bhattacharya	✓	✓	✓	-
8	Shri Sanjay Behl	✓	✓	✓	✓

b. Key Managerial Personnel (KMP)

During the year under review, there is no change in the Key Managerial Personnel of the Company.

As on March 31, 2017 your Company has the following KMP's:

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Bibek Agarwala	Chief Financial Officer	July 31, 2015

2	Shri Sanjay Behl	Manager	October 29, 2014
3	Smt. Priti Alkari	Company Secretary	February 15, 2011

c. Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

12. COMMITTEE OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee has been constituted.

The Composition of the Committee is as under:

1. Shri Nirvik Singh : Independent Director, Chairman
2. Shri I.D. Agarwal : Independent Director, Member
3. Shri Joydeep Bhattacharya : Independent Director, Member

The terms of reference of the Committee are determined by the Board and their relevance reviewed from time to time.

During the year, four Audit Committee meetings were held on April 26, 2016, July 21, 2016, October 25, 2016 and January 25, 2017.

Attendance of Directors at the Audit Committee Meeting is given below:

Sr. No.	Name of Director	DATE OF MEETING			
		26.04.2016	21.07.2016	25.10.2016	25.01.2017
1	Shri Nirvik Singh	✓	✓	-	✓
2	Shri I.D. Agarwal	✓	✓	✓	✓
3	Shri Joydeep Bhattacharya	✓	✓	✓	-

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and

Remuneration Committee on March 30, 2015. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Composition of the Committee is as under:

a. Shri I.D. Agarwal : Independent Director, Chairman
b. Shri Joydeep Bhattacharya : Independent Director, Member
c. Shri Sanjay Behl : Non-executive Director, Member

The terms of reference of Nomination and Remuneration Committee are as under:

1. to help in determining the appropriate size, diversity and composition of the Board;
2. to recommend to the Board appointment/re-appointment and removal of Directors;
3. to frame criteria for determining qualifications, positive attributes and independence of Directors;
4. to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
5. to create an evaluation framework for Independent Directors and the Board;
6. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
7. delegation of any of its powers to any Member of the Committee or the Company Secretary.

During the year, no Nomination and Remuneration Committee meeting was held.

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee and contributed an amount of ₹ 10 Lakh in pursuance of its CSR. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as **"Annexure B".**

The policy is displayed on the webpage of the Company. The link is http://www.raymond.in/grp_ral.asp#.WSVJGWiGPIU.

The Composition of the Committee is as under:

1. Shri Gaurav Dalmia, Chairman
2. Shri I.D. Agarwal, Member
3. Shri Joydeep Bhattacharya, Member

The terms of reference of Corporate Social Responsibility Committee are as under:

a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;

c. To monitor the CSR Policy of the Company from time to time;
d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

During the year, no meeting of the Corporate Social Responsibility (CSR) Committee meeting was held. The CSR Committee has passed circular resolution dated December 16, 2016.

Committee of Directors

For administrative convenience, a Committee of the Board of Directors of the Company was constituted by the Board of Directors of the Company for handling day to day affairs of the Company.

The current Composition of the Committee is as under:

1. Shri Joydeep Bhattacharya : Chairman
2. Shri I.D. Agarwal : Member
3. Shri Sanjay Behl : Member

Sr. No.	Name of Director	DATE OF MEETING			
		01.06.2016	23.09.2016	28.12.2016	12.01.2017
1	Shri Joydeep Bhattacharya	✓	✓	✓	✓
2	Shri I.D. Agarwal	✓	✓	✓	-
3	Shri Sanjay Behl	✓	✓	-	✓

Vigil mechanism for Directors and Employees

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower policy to report genuine concerns. The policy is displayed on the webpage of the Company. The link is http://www.raymond.in/grp_ral.asp#.WSVJGWiGPIU.

13. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

14. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

15. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii. the directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the directors have prepared the annual accounts on a going concern basis; and

v. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in places and such systems are adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure C"** to this Report.

17. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure D"** to this Report.

18. AWARDS AND ACHIEVEMENTS

Your Company continues to win awards year-on-year. Some awards during FY 2016-17 are:

1. Global award for best store design- Raymond RTW Indiranagar, Bangalore. Awarded by VMSD Magazine, Canada.
2. Marketing excellence award, Linen campaign awarded for consumer insight and content marketing.
3. Company with great managers – Raymond lifestyle, best among the 10 leading companies in India.
4. Best store in Onam campaign- TRS, Kochi wins 2nd prize in Pookolam contest at Lulu Mall.
5. Most Admired Men's Apparel Brand – Raymond.
6. Raymond recognized as 'Most Admired Men's Apparel Brand' (Retail Category) at GLOBE Platinum Awards 2016.
7. Raymond wins 2 Effie Awards - for Raymond Whites & Father's Day campaign.

8. Raymond Shades of white campaign –Wins one award under the Jewellery, Fashion & Lifestyle category and Wins one award under the Retail Category.

19. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

20. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

21. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at Workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

22. ACKNOWLEDGEMENT

The Directors express their appreciation for the contribution made by employees at all levels but for whose hard work and support your Company's achievements would not have been possible. Your Directors also wish to thank customers, dealers, agents, suppliers and bankers for their support and faith in the Company. We also thank the Central Government, the concerned State Government authorities for their support and co-operation.

For and on behalf of the Board

sd/-

Gautam Hari Singhania
Chairman
DIN: 00020088

Place: Mumbai
Date: April 28, 2017

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Raymond Apparel Limited
Jekegram, Pokhran Road No.1,
Thane-400 606.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Raymond Apparel Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner which provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during audit period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015(Not applicable to the Company during audit period);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities of the Company are not listed on any Stock Exchange hence no comment is made about Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 28, 2017

Annexure I

List of applicable laws to the Company

Under the Major Group and Head

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax
7. Land Revenue laws of respective States;
8. Labour Welfare Act of respective States;
9. Trade Marks Act 1999 & Copy Right Act 1957
10. The Legal Metrology Act, 2009
11. Acts as prescribed under Shop and Establishment Act of various local authorities.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date: April 28, 2017

Annexure B

Sr. No.	Particulars	Remarks
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	The CSR Policy was approved by the Board of Directors at its Meeting held on April 30, 2014 and has been uploaded on the Company's webpage. A gist of the programs that the Company can undertake under the CSR policy is mentioned below. The link of webpage is http://www.raymond.in/grp_ral.asp#.WSVJGWiGPIU. The Company had proposed to undertake activities for serving the economically weaker section of the society. Victoria Memorial School for the Blind (VMSB) needed CSR assistance from benefactors for the following activities: • Educational sponsorship visually impaired students; • Operating expenses for the Library and Information Resource; and • Skill development training in Information Technology for visually impaired students. The activities and funding are monitored internally by the Company.
2.	The composition of the CSR Committee.	1. Shri Gaurav Dalmia, Chairman 2. Shri I.D. Agarwal, Member 3. Shri Joydeep Bhattacharya, Member
3.	Average net profit of the Company for last three financial years.	₹ 2144.32 Lac
4.	Prescribed CSR expenditure (2% of the amount as in item 3 above).	₹ 43 Lac
5.	Details of CSR spent during the financial year:	
	a. total amount to be spent for the financial year:	₹ 43 Lac
	b. amount unspent, if any	₹ 33 Lac
	c. manner in which the amount spent during the financial year:	In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules 2014, your Company has identified a project with Sahachari Foundation, a Registered Charitable Trust. The aforesaid CSR Contribution by the Company is distributed by the Foundation on the following activities; • Educational sponsorship for visually impaired students • Operating expenses for the Library and

		Information Resource • Skill development training in Information Technology for visually impaired students The details are as under:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or Activity Identified.	Sector in Which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	CSR proposal of Sahachari Foundation for Victoria Memorial School for the Blind.	Education	Mumbai	10.00 Lac	10.00 Lac	10.00 Lac	Direct
	TOTAL			10.00 Lac	10.00 Lac	10.00 Lac	

6. The overall CSR expenditure required to be incurred during the financial year 2016-17 was ₹ 43 Lac. Your Company has committed to undertake CSR for the Victoria Memorial School for the Blind through Sahachari Foundation for its above projects and has contributed Rs.10 Lac. The Company has not found any other suitable projects, hence remaining amount of Rs.33 Lac has not been spent by the Company.
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Raymond Apparel Limited

sd/-
Sanjay Behl
Director
DIN: 07003899

sd/-
Gaurav Dalmia
Chairman of CSR Committee
DIN: 00009639

Place : Mumbai
Date : April 28, 2017

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on April 30, 2014)

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- ✓ Improving the quality of life in rural areas;
- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promoting healthcare including preventive healthcare;
- ✓ Employment enhancing vocational Skills;
- ✓ Promotion of education including investment in technology in schools;
- ✓ Ensuring environmental sustainability including measures for reducing inequalities faced by Socially and economically backward groups;
- ✓ Promoting sports including rural and Olympic sports;
- ✓ Contribution to funds for promoting technology;
- ✓ Investing in various rural development projects;
- ✓ Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- ✓ Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

Annexure C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A)	**Conservation of energy-**	
(i)	the steps taken to conserve energy;	• Reduction of per unit consumption through converting existing CDMT bulbs into LED bulbs thereby reducing Carbon footprint significantly. • Installation of latest energy saving equipments with 5 star ratings. • Improving the efficiency of Air conditioners by injecting effluent treatment fluid. • Regular maintenance backed with breakdown and preventive maintenance schedules.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	• There was no alternate source of energy used during the period under review.
(iii)	the capital investment on energy conservation equipment's;	• The Company has invested NIL amount on energy conversation equipment's.
(B)	**Technology absorption-**	
(i)	the efforts made towards technology absorption;	• World class quality and designs to meet market demands. • Encouraged local suppliers to develop substitutes for imported embellishments required. • Regular Spring, Summer and Autumn Winter collections to match fashion Brands.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	• Improvement in quality • Some of the embellishments previously procured from overseas sources now locally developed.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
(a)	the details of technology imported;	
(b)	the year of import;	
(c)	whether the technology been fully absorbed;	
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development	• There were no expenditure incurred on research and development. However the Company has on an ongoing basis has qualified designers and technicians who develop new innovative design and products.
(C)	**Foreign exchange earnings and Outgo –**	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	• During the year foreign exchange earnings was ₹ 10.09 crore (Previous Year: Rs. 12.69 crore). The Foreign Exchange outgo during the year was ₹ 89.16 crore (previous year Rs. 89.01 crore).

Annexure D

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U18109MH2006PLC262077
2.	Registration Date	October 26, 2006
3.	Name of the Company	Raymond Apparel Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-government Company
5.	Address of the Registered office & contact details	Jekegram, Pokhran Road no.1, Thane 400 606, Maharashtra.
6.	Whether listed company	Unlisted Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Men's Shirts	62052002	43%
2.	Men's Trousers	62034300	20%
3.	Men's Suits	62031100	15%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1.	**Raymond Limited with its Nominees** Plot No. 156/H. No.2, Village Zadgaon, Ratnagiri 415 612, Maharashtra	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)

2.	**Color Plus Fashions Limited** Jekegram, Pokhran Road No.1, Thane 400 606, Maharashtra.	U51102MH1987PLC260720	Subsidiary Company	100%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April 2016]				No. of Shares held at the end of the year [As on 31st March 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	20,00,000	20,00,000	100	-	22,19,200	22,19,200	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	-	20,00,000	20,00,000	100	-	22,19,200	22,19,200	100	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-

e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	20,00,000	20,00,000	100	-	22,19,200	22,19,200	100	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii)	-	-	-	-	-	-	-	-	-

Overseas									
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**20,00,000**	**20,00,000**	**100**	**-**	**22,19,200**	**22,19,200**	**100**	**-**

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	**% of total Shares of the company**	**%of Shares Pledged / encumbered to total shares**	**No. of Shares**	**% of total Shares of the company**	**%of Shares Pledged/ encumbered to total shares**	
1	**Raymond Limited and its nominees**	20,00,000	100	-	22,19,200	100	-	-
	Total	**20,00,000**	**100**	**-**	**22,19,200**	**100**	**-**	**-**

C) Change in Promoters' Shareholding (please specify, if there is no change) There is no change during the year.

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Raymond Limited**				
	At the beginning of the year	20,00,000	100%	20,00,000	100%
	2,19,200 Equity Share were allotted against conversion of 28,50,000 Zero Coupon Compulsory Convertible Debentures of Rs. 100 each on January 12, 2017.	20,00,000	-	2,19,200	-
	At the end of the year as on March 31, 2017	**20,00,000**	**100%**	**22,19,200**	**100%**

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no Change in the Shareholding Pattern of the top ten Shareholders**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	**None of the Directors or Key Managerial Personnel of the Company hold any Shares in the Company.**			
	At the end of the year				

V. **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of ~~MD/WTD~~/ Manager				Total Amount
		Shri Sanjay Behl	----	----	---	
1	Gross salary	NIL	-	-	-	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	-	-	-	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	-	-	-	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	-	-	-	NIL
2	Stock Option	NIL	-	-	-	NIL
3	Sweat Equity	NIL	-	-	-	NIL
4	Commission - as % of profit - others, specify…	NIL	-	-	-	NIL
5	Others, please specify	NIL	-	-	-	NIL
	Total (A)	NIL	-	-	-	NIL
	Ceiling as per the Act	NIL	-	-	-	NIL

B. Remuneration to other directors

(₹ in Lac)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Gaurav Dalmia	Joydeep Bhattacharya	I.D. Agarwal	Nirvik Singh	
	Fee for attending board committee meetings	4.00	7.80	9.60	7.00	28.40
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-

	Total (1)	4.00	7.80	9.60	7.00	28.40
2	Other Non-Executive Directors	Dr. Vijaypat Singhania	Gautam Hari Singhania	Ashadevi Singhania	Sanjay Behl	
	Fee for attending board committee meetings	1.00	4.00	2.00	-	7.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	1.00	4.00	2.00	-	7.00
	Total (B)=(1+2)	5.00	11.80	11.60	7.00	35.40
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in Lac)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Smt. Priti Alkari	Shri Bibek Agarwala	
1	Gross salary	-	NIL	126.35	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	NIL	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	NIL	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	NIL	-	-
2	Stock Option	-	NIL	-	-
3	Sweat Equity	-	NIL	-	-
4	Commission	-	NIL	-	-
	- as % of profit	-	NIL	-	-
	others, specify…	-	NIL	-	-
5	Others, please specify	-	NIL	-	-
	Total	-	NIL	126.35	

VII. VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Independent Auditors' Report

To the Members of Raymond Apparel Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Raymond Apparel Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 26, 2016 and April 29, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer note 37;

(ii) The Company has long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer note 44.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-
Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 28, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Raymond Apparel Limited on the Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Raymond Apparel Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 28, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Raymond Apparel Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The Company does not own any immovable properties as disclosed in Note 2 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans to the parties covered under Section 185 of the Act. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, service-tax and duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	18.45	1999-2000	Appellate Tribunal
Central Sales Tax Act, 1956	Central Sales Tax	73.32	2001 to 2006, 2008-2009 and 2010-2011	Deputy Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	182.41	2012-2013	Sr. Joint Commissioner of Sales Tax
Central Sales Tax Act, 1956	Central Sales Tax	92.58	2008-2009 and 2011-2012	Joint Commissioner of Sales Tax (Appeals)
Maharashtra Value Added Tax Act, 2002	Central Sales Tax	6.46	2008-2009	Joint Commissioner of Sales Tax
Central Sales Tax Act, 1956	Central Sales Tax	3.76	2012-2013	Assistant Commercial Officer
Central Sales Tax Act, 1956	Central Sales Tax	6.31	2008-2009	Joint Commissioner of Sales Tax
Central Excise Act, 1944	Excise Duty	6.52	2001 to 2004	Commissioner of Central Excise (Appeals)
Income Tax Act, 1961	Fringe Benefit Tax	25.98	2006-2007	Commissioner (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 28, 2017

Raymond Apparel Limited

Balance Sheet

	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
				(Rs. in lakhs)
I ASSETS				
1 **Non-current Assets**				
a) Property, Plant and Equipment	2	3,548.17	2,567.36	2,096.08
b) Capital work-in-progress		5.00	105.60	200.55
c) Intangible assets	3	85.12	123.96	166.78
d) Investment in subsidiary	4	6,339.65	6,339.65	6,339.65
e) Financial Assets				
(i) Investments	5	4,714.59	3,856.25	3,442.75
(ii) Loans	6	1.62	2.44	0.54
(iii) Others financial assets	7	2,334.76	1,931.26	1,689.93
f) Deferred tax assets (net)	33	1,894.48	1,890.54	1,335.85
g) Current Tax (Net)		133.37	129.29	641.61
h) Other non-current assets	8	1,038.45	761.57	612.21
2 **Current assets**				
a) Inventories	9	30,968.40	22,074.10	19,753.16
b) Financial Assets				
(i) Trade receivables	10	13,374.32	10,038.62	8,141.02
(ii) Cash and cash equivalents	11	21.94	17.18	28.00
(iii) Bank Balances other than cash and cash equivalents	12	-	-	2.10
(iv) Loans	13	7.62	10.03	6.37
(v) Others financial asset	14	860.38	144.70	243.03
c) Other current assets	15	566.73	806.81	530.65
TOTAL ASSETS		**65,894.60**	**50,799.36**	**45,230.28**
II EQUITY AND LIABILITIES				
1 **Equity**	16			
a) Equity share capital		3,651.92	3,630.00	200.00
b) Other equity				
(i) Equity component of other financial instruments		-	-	1,232.73
(ii) Other reserves		22,083.37	17,716.53	14,602.33
2 **Non-current liabilities**				
Financial Liabilities				
Borrowings	17	-	455.96	6,422.94
3 **Current liabilities**				
(a) Financial Liabilities				
(i) Borrowings	18	18,367.81	11,561.48	8,643.32
(ii) Trade payables	19	16,838.94	10,101.17	8,245.70
(iii) Other financial liabilities	20	2,543.63	5,051.14	3,511.20
(b) Other current liabilities	21	1,895.53	1,883.12	1,695.21
(c) Short term provisions	22	252.97	218.63	464.11
(d) Current Tax (Net)		260.43	181.33	212.74
TOTAL LIABILITIES		**65,894.60**	**50,799.36**	**45,230.28**

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

For and on behalf of the Board of Directors

sd/-

Gautam Hari Singhania
Chairman
DIN: 00020088

sd/-

Director
DIN:

sd/-

Bibek Agarwala
Chief Financial Officer

sd/-

Priti Alkari
Company Secretary

Place: Mumbai
Date: April 28, 2017

Place: Mumbai
Date: April 28, 2017

Raymond Apparel Limited

Statement of Profit and Loss

(Rs. in lakhs)

		Note	Year ended March 31, 2017	Year ended March 31, 2016
I	**Income**			
	Revenue from Operations	23	98,177.54	82,577.23
	Other Income	24	482.89	667.18
	Total Income (I)		**98,660.43**	**83,244.41**
II	**Expenses**			
	Cost of materials consumed	25	6,658.93	5,590.42
	Purchases of Stock-in-Trade	26	54,399.42	38,813.11
	Changes in inventories of finished goods, stock-in-trade and work-in progress	27	(8,402.78)	(1,798.16)
	Manufacturing and Operating Costs	28	2,200.21	1,918.91
	Employee benefits expense	29	5,987.03	5,205.41
	Finance costs	30	1,423.41	1,120.64
	Depreciation and amortization expense	31	1,311.40	1,477.28
	Other expenses	32	33,799.25	27,709.47
	Total expenses (II)		**97,376.87**	**80,037.08**
III	**Profit before tax (I - II)**		**1,283.56**	**3,207.33**
IV	**Tax expense**	33		
	Current tax		583.99	1,338.49
	Deferred tax charge/(credit)		(102.96)	(215.59)
V	**Profit for the year (III - IV)**		**802.53**	**2,084.43**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Changes in fair value of FVOCI equity instruments		858.34	413.50
	Remeasurements of net defined benefit plan		(35.31)	(9.98)
	Current tax relating to these items		12.22	3.49
	Deferred tax charge/(credit) relating to these items		(99.02)	(47.70)
	Other Comprehensive Income for the year (VI)		**736.23**	**359.31**
VII	**Total Comprehensive Income for the year (V + VI)**		**1,538.76**	**2,443.74**
VIII	**Earnings per equity share of Rs. 10 each:**			
	Basic earnings per share (Rs.)	46	39.22	104.22
	Diluted earnings per share (Rs.)	46	34.74	83.94

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 28, 2017

For and on behalf of the Board of Directors

sd/-

Gautam Hari Singhania
Chairman
DIN: 00020088

sd/-

Director
DIN:

sd/-

Bibek Agarwala
Chief Financial Officer

sd/-

Priti Alkari
Company Secretary

Place: Mumbai
Date: April 28, 2017

Raymond Apparel Limited
Statement of Changes in Equity

A. Equity Share Capital

	Note	(Rs. in lakhs) Amount
Balance as at April 1, 2015		200.00
Changes in equity share capital	16	3,430.00
Balance as at March 31, 2016		**3,630.00**
Changes in equity share capital	16	21.92
Balance as at March 31, 2017		**3,651.92**

(Rs. in lakhs)

B. Other Equity	**Equity component of compound financial instruments**	**Reserves and Surplus**				**Total**
		Amalgamation Reserve	**Securities Premium Reserve**	**General Reserves**	**Retained Earnings**	
Balance as at April 1, 2015	**1,232.73**	**92.34**	**-**	**2,630.77**	**11,879.22**	**15,835.06**
Reversal of equity component of financial instruments upon change in terms	(1,232.73)	-	-	-	1,232.73	-
Impact of conversion of financial liability to equity instrument, net of deferred tax	-	-	-	-	(562.27)	(562.27)
Profit for the year	-	-	-	-	2,084.43	2,084.43
Other Comprehensive Income for the year	-	-	-	-	359.31	359.31
Total Comprehensive Income for the year	**-**	**-**	**-**		**2,443.74**	**2,443.74**
Balance as at March 31, 2016	**-**	**92.34**	**-**	**2,630.77**	**14,993.42**	**17,716.53**
Balance as at April 1, 2016	**-**	**92.34**	**-**	**2,630.77**	**14,993.42**	**17,716.53**
Securities premium on conversion of debentures into equity shares	-	-	2,828.08	-	-	**2,828.08**
Profit for the year	-	-	-	-	802.53	**802.53**
Other Comprehensive Income for the year	-	-	-	-	736.23	**736.23**
Total Comprehensive Income for the year	**-**	**-**	**2,828.08**	**-**	**1,538.76**	**4,366.84**
Balance as at March 31, 2017	**-**	**92.34**	**2,828.08**	**2,630.77**	**16,532.18**	**22,083.37**

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 28, 2017

For and on behalf of the Board of Directors

sd/-

Gautam Hari Singhania
Chairman
DIN: 00020088

sd/-

Director
DIN:

sd/-

Bibek Agarwala
Chief Financial Officer

sd/-

Priti Alkari
Company Secretary

Place: Mumbai
Date: April 28, 2017

Raymond Apparel Limited
Notes to the financial statements

Cash Flow Statement **(Rs. in lakhs)**

		Year ended March 31, 2017		Year ended March 31, 2016	
A	**Cash Flow from Operating Activities:**				
	Net Profit before Tax as per Statement of Profit and Loss		1,283.56		3,207.33
	Add/(Deduct)				
	a) Depreciation and Amortisation Expense	1,311.40		1,477.28	
	b) Finance cost	1,423.41		1,120.64	
	c) Loss on sale of Assets (Net)	10.53		17.94	
	d) Interest Income	(361.97)		(330.74)	
	e) Provision for Doubtful debts and doubtful claims (Net)	30.18		35.03	
	f) Unrealised Loss on Foreign Currency Translation	87.10		74.91	
	g) Excess provision written back	(48.29)		(210.50)	
	h) Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	11.46		9.20	
	i) Loss from Remeasurement of net defined benefit plan	(35.31)		(9.98)	
			2,428.51		2,183.78
	Operating Profit before Working Capital changes		3,712.07		5,391.11
	Add/(Deduct):				
	a) (Increase)/Decrease in Inventories	(8,894.30)		(2,320.95)	
	b) (Increase)/Decrease in Trade and Other Receivables	(4,425.72)		(2,628.60)	
	c) Increase/(Decrease) in Trade and Other Payable	6,896.00		2,801.67	
			(6,424.02)		(2,147.88)
	Cash (outflow) / inflow from operations		(2,711.95)		3,243.23
	Deduct: Direct Taxes paid (net of refund)		(496.74)		(854.09)
	Net Cash (Outflow) / Inflow from Operating Activities (A)		**(3,208.69)**		**2,389.14**
B	**Cash Flow from Investing Activities:**				
	Inflow				
	a) Sale of Fixed Assets	6.78		7.61	
	b) Proceeds from Fixed Deposit matured	-		1.44	
	c) Interest Received	261.46		376.76	
			268.24		385.81
	Outflow				
	a) Purchase of Fixed Assets	1,751.63		1,683.45	
	b) Fixed Deposit with Banks	1.50		-	
			1,753.13		1,683.45
	Net Cash Outflow from Investing Activities (B)		**(1,484.89)**		**(1,297.64)**
C	**Cash Flow from Financing Activities:**				
	Inflow				
	a) Inter Corporate Deposit taken	27,500.00		28,200.00	
	b) Increase in other borrowings (Net)	6,733.62		2,883.49	
			34,233.62		31,083.49
	Outflow				
	a) Repayment of Term Loans	636.00		636.04	
	b) Repayment of Inter Corporate Deposit	27,500.00		28,200.00	
	c) Dividend payments (including dividend distribution tax)	-		2,229.26	
	d) Finance Charges paid	1,401.66		1,122.11	
			29,537.66		32,187.41
	Net Cash inflow / (outflow) from Financing Activity (C)		**4,695.96**		**(1,103.92)**
	Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		**2.38**		**(12.42)**
	Cash and Cash equivalents at the beginning of the year (Refer Note 11)		15.58		28.00
	Cash and Cash equivalents at the close of the year (Refer Note 11)		17.96		15.58

Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and Cash equivalent as per above comprises of the following		
Cash and Cash Equivalents (Refer Note 11)	21.94	17.18
Bank Overdrafts (Refer Note 20)	(3.98)	(1.60)
Balances as per statement of Cash Flows	**17.96**	**15.58**

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 28, 2017

For and on behalf of the Board of Directors

sd/-
Gautam Hari Singhania
Chairman
DIN: 00020088

sd/-
Director
DIN:

sd/-
Bibek Agarwala
Chief Financial Officer

sd/-
Priti Alkari
Company Secretary

Place: Mumbai
Date: April 28, 2017

Raymond Apparel Limited
Notes to the financial statements

Note 1 - Statement of Significant Accounting Policies

1. Background

Raymond Apparel Limited (the "Company"), headquartered in Mumbai, Maharashtra, (CIN: U18109MH2006PLC262077) is one of India's largest and most respected Branded apparel Company. The Company brings to the consumers best of fabric and style through some of the country's most prestigious brands – Park Avenue, Parx and Raymond Ready to Wear. The Company focuses on designing and branding of apparel and apparel accessories which are either outsourced as traded goods or manufactured through contract vendors. The Company sells primarily in India through independent retailers, large format stores and its own retail outlets.

2. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts
All amounts disclosed in the financial statemnets and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) 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 and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation on Plant and Machinery and Electric installaton is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful lives of assets.Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful life of assets are same as those prescribed in schedule II of the Act.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software
Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life
The Company amortizes computer software using the straight-line method over the period of 5 years, being its useful life.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

(g) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, as applicable. Cost of purchase is ascertained based on the continuous moving weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Investments in subsidiary

Investments in subsidiary is recognised at cost as per Ind AS 27.

(i) Investments and other financial assets

(i) Classification
The Company classifies its financial assets in the following measurement categories:
(1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

(2) those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement
At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characterstics of the asset. The Company classifies its debt instruments into following categories:

(1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:
The Company measures its investment in subsidiary at cost less impairment if any. The Company subsequently measures all equity investments other than above 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Dividends
Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(j) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(k) Derivative financial instruments

Derivative financial instruments which are foreign currency forward contracts, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(n) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. The Company soes not recognize a contingent asset unless the recovery is virtually certain.

(o) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are delivered to the customer and in case of export customers,when goods are shipped onboard based on bill of lading.

Other operating revenue - Export incentives

Export Incentives under various schemes are accrued in the year of export.

(p) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

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

(q) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(r) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. 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 excepted to apply when the related defferd income tax assets 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 off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit (MAT) is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(s) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Raymond Apparel Limited
Notes to the financial statements

Note 2 - Property, Plant and Equipment

(Rs. in lakhs)

	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold Improvements	Total
Gross carrying amount							
Deemed Cost as at April 01, 2015	410.59	457.56	17.57	21.68	61.34	1,127.34	2,096.08
Additions	54.14	106.66	9.56	130.96	142.28	1,471.78	1,915.38
Disposals	15.75	12.26	1.01	5.38	0.54	1.45	36.39
Balance as at March 31, 2016	**448.98**	**551.96**	**26.12**	**147.26**	**203.08**	**2,597.67**	**3,975.07**
Additions	36.99	127.76	76.48	464.76	200.17	1,346.15	**2,252.31**
Disposals	14.22	8.09	-	0.62	1.55	21.37	**45.85**
Balance as at March 31, 2017	**471.75**	**671.63**	**102.60**	**611.40**	**401.70**	**3,922.45**	**6,181.53**
Accumulated Depreciation							
Depreciation Charge for the year	64.76	128.91	6.27	37.09	115.96	1,065.56	**1,418.55**
Disposals	2.36	2.49	-	5.03	0.04	0.92	**10.84**
Balance as at March 31, 2016	**62.40**	**126.42**	**6.27**	**32.06**	**115.92**	**1,064.64**	**1,407.71**
Depreciation Charge for the year	65.88	127.41	18.71	157.23	135.88	749.08	**1,254.19**
Disposals	3.67	2.90	-	0.22	0.38	21.37	**28.54**
Balance as at March 31, 2017	**124.61**	**250.93**	**24.98**	**189.07**	**251.42**	**1,792.35**	**2,633.36**
Net Carrying Amount							
Balance as at March 31, 2017	**347.14**	**420.70**	**77.62**	**422.33**	**150.28**	**2,130.10**	**3,548.17**
Balance as at March 31, 2016	**386.58**	**425.54**	**19.85**	**115.20**	**87.16**	**1,533.03**	**2,567.36**
Balance as at April 01, 2015	**410.59**	**457.56**	**17.57**	**21.68**	**61.34**	**1,127.34**	**2,096.08**

Notes:

(a) Refer note 35 for disclosure of property, plant and equipment pledged as security.

(b) Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Raymond Apparel Limited
Notes to the financial statements

Note 3 - Intangible assets

(Rs. in lakhs)

	Computer Software #	**Total**
Gross carrying amount		
Deemed cost as at April 01, 2015	166.78	166.78
Additions	15.91	15.91
Disposals	-	-
Balance as at March 31, 2016	**182.69**	**182.69**
Additions	18.37	18.37
Disposals	-	-
Balance as at March 31, 2017	**201.06**	**201.06**
Accumulated Depreciation		
Depreciation Charge for the year	58.73	58.73
Disposals	-	-
Balance as at March 31, 2016	**58.73**	**58.73**
Depreciation Charge for the year	57.21	57.21
Disposals	-	-
Balance as at March 31, 2017	**115.94**	**115.94**
Net Carrying Amount		
Balance as at March 31, 2017	85.12	85.12
Balance as at March 31, 2016	123.96	123.96
Balance as at April 01, 2015	166.78	166.78

Other than internally generated software.

Raymond Apparel Limited
Notes to the financial statements

Note 4 - Investment in subsidiary

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number	Rs. in lakhs	Number	Rs. in lakhs	Number	Rs. in lakhs
Unquoted - Equity Instrument at Cost						
Colorplus Fashions Limited (Equity Shares of Rs. 100 each)	1,00,000	6,339.65	1,00,000	6,339.65	1,00,000	6,339.65
Total		**6,339.65**		**6,339.65**		**6,339.65**

Note 5 - Non Current Investments

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number	Rs. in lakhs	Number	Rs. in lakhs	Number	Rs. in lakhs
Unquoted - Equity Instrument at fair value through Other Comprehensive Income						
J.K.Investors (Bombay) Limited (Equity Shares of Rs. 100 each) (Refer note 41)	4,692	4,714.10	4,692	3,855.76	4,692	3,442.26
Accurate Finman Services Private Limited (Equity Shares of Rs. 10 each)	460	0.49	460	0.49	460	0.49
Total		**4,714.59**		**3,856.25**		**3,442.75**

Raymond Apparel Limited
Notes to the financial statements

Note 6 - Non Current Loans
(Unsecured, considered good)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loans to employees	1.62	2.44	0.54
Total	**1.62**	**2.44**	**0.54**

Refer note 42 for information about credit risk and market risk for loans.

Note 7 - Other non current financial assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Security Deposits	2,329.85	1,927.85	1,687.18
Security Deposits, considered doubtful	31.85	16.83	-
Less: Allowance for doubtful security deposits	(31.85)	(16.83)	-
	-	-	-
Investments in Term deposits #	4.91	3.41	2.75
Total	**2,334.76**	**1,931.26**	**1,689.93**

Represent deposit given as security

The movement in allowance for doubtful security deposits is as follows: **(Rs. in lakhs)**

	As at March 31, 2017	As at March 31, 2016
Provision for doubtful security deposits		
Balance as at beginning of the year	16.83	-
Allowance for doubtful deposits	15.02	16.83
Written off during the year	-	-
Balance as at the end of the year	**31.85**	**16.83**

Note 8 - Other non-current assets
(Unsecured, considered good)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Capital advances	25.34	22.55	90.84
Prepaid expenses	836.63	583.48	449.99
Deposits with Government authorities	176.48	155.54	71.38
Total	**1,038.45**	**761.57**	**612.21**

Raymond Apparel Limited
Notes to the financial statements

Note 9 - Inventories

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Raw materials	1,702.52	1,756.62	1,215.86
Raw materials in transit	593.27	9.36	40.10
Finished goods	4,094.69	1,748.56	3,763.91
Stock-in-trade	24,211.20	18,154.55	14,341.04
Packing material	366.72	405.01	392.25
Total	**30,968.40**	**22,074.10**	**19,753.16**

Write-down of inventories to net realisable value amounted to Rs. 6,011 lakhs as at March 31, 2017, Rs. 4,148 lakhs as at March 31, 2016 and Rs. 3,241 lakhs as at April 01, 2015. These write-downs were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit and loss.

Note 10 - Trade Receivables

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Considered good			
Secured			
Other than related parties	408.98	287.95	324.46
Unsecured			
Related parties (Refer note 40)	904.14	903.08	826.75
Other than related parties	12061.20	8,847.59	6,989.81
Considered doubtful			
Other than related parties	189.14	173.99	158.22
Less: Allowance for doubtful receivables	(189.14)	(173.99)	(158.22)
Total	**13,374.32**	**10,038.62**	**8,141.02**

Refer note 42 for information about credit risk and market risk of trade receivables.

Note 11 - Cash and cash equivalents

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cash on hand	11.09	7.89	10.30
Cheques, drafts on hand	0.67	0.14	7.73
Balances with Banks			
In current accounts	5.37	3.40	9.97
Term deposits with original maturity of less than three months	4.81	5.75	-
Total	**21.94**	**17.18**	**28.00**

Note 12 - Bank Balances other than cash and cash equivalents

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investments in Term deposits (Refer note below)	-	-	2.10
Total	**-**	**-**	**2.10**

Note: Represents deposit given as security.

Note 13 - Current loans
(Unsecured, considered good)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loans to employees	7.62	10.03	6.37
Total	**7.62**	**10.03**	**6.37**

Refer note 42 for information about credit risk and market risk for loans.

Note 14 - Other current financial assets
(Unsecured, considered good)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deposits with others (including rent deposit)	171.03	24.76	101.39
Interest receivable	175.04	74.54	120.56
Claims and other receivables			
- Related party (Refer note 40)	468.23	-	-
- Others	8.25	21.53	8.37
Other	37.83	23.87	12.71
Total	**860.38**	**144.70**	**243.03**

Note 15 - Other current assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Export benefit receivables	11.35	9.99	18.72
Prepaid expenses	224.85	213.70	185.07
Advances to Suppliers	255.41	273.20	145.20
Advances to Suppliers, considered doubtful	2.43	2.43	-
Less : Provision for doubtful advances to suppliers	(2.43)	(2.43)	-
	-	-	-
VAT Credit Receivable	20.74	88.53	65.71
Deposits with customs, port trust, excise and other govt. authorities	-	172.36	77.06
Other advances	54.38	49.03	38.89
Total	**566.73**	**806.81**	**530.65**

The movement in Allowance for doubtful assets is as follows: **(Rs. in lakhs)**

	As at March 31, 2017	As at March 31, 2016
Provision for doubtful supplier advances		
Balance as at beginning of the year	2.43	-
Allowance for doubtful assets during the year	-	2.43
Written off during the year	-	-
Balance as at the end of the year	**2.43**	**2.43**

Raymond Apparel Limited
Notes to the financial statements

Note 16 - Equity Share Capital

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
			(Rs. in lakhs)
Authorised			
2,35,00,000 (March 31, 2016: 2,35,00,000; April 01, 2015: 2,35,00,000) Equity Shares of Rs. 10 each	2,350.00	2,350.00	2,350.00
52,80,000 (March 31, 2016: 52,80,000; April 01 2015: 52,80,000) Preference share of Rs. 100 each	5,280.00	5,280.00	5,280.00
Issued, subscribed and fully paid up			
22,19,200 (March 31, 2016: 20,00,000; April 01, 2015: 20,00,000) Equity Shares of Rs.10 each fully paid up, held by the Holding Company Raymond Limited and its nominees	221.92	200.00	200.00
34,30,000 (March 31, 2016: 34,30,000; April 01, 2015: 34,30,000) Preference Shares of Rs 100 each fully paid up, held by the Holding Company Raymond Limited	3,430.00	3,430.00	-
	3,651.92	**3,630.00**	**200.00**

a) Reconciliation of number of shares

	As at March 31, 2017		As at March 31, 2016	(Rs. in lakhs)
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity Shares:				
Balance as at the beginning of the year	**20,00,000**	200.00	**20,00,000**	200.00
Add: Conversion of debentures into equity shares (Refer note below)	2,19,200	21.92	-	-
Balance as at the end of the year	**22,19,200**	**221.92**	**20,00,000**	**200.00**

Note: 28,50,000 Zero Coupon Convertible Debentures of Rs. 100 each were converted into equity shares of Rs. 10 each on January 14, 2017.

Preference Shares:				
Balance as at the beginning of the year	**34,30,000**	3,430.00	**34,30,000**	3,430.00
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	**34,30,000**	**3,430.00**	**34,30,000**	**3,430.00**

Preference shares shown as financial liability as at the transition date. These are classified as equity instruments as at March 31, 2016, consequent to the modification in the terms of these Preference shares, effective April 1, 2015, subsequent to transition to Ind AS. The fair value of preference share liability derecognised is the same as carrying value. The difference between the fair value of equity instruments, and the fair value of preference share liability, has been recognised as capital contribution in the Other Equity.

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference shares:

Effective April 01, 2015, the terms of the Preference shares have been modified as under:
9% Non-Cumulative Compulsory Convertible Preference Shares will be converted into 2,64,000 number of equity shares of Rs 10 each.

Each shareholder of Compulsarily Convertible Preference Shares (CCPS) is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to CCPS. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The Company has an option to redeem the said shares at par. In the event of liquidation of the Company, the holders of CCPS will have priority over equity shares in payment of dividend and repayment of capital.

Previous year: 6% Cumulative Redeemable Preference shares

Each shareholder of Cumulative Redeemable Preference Shares (CRPS) is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to CRPS. The dividend proposed by the board of directors is subject to the approval of shareholders. Consequent to non payment of dividend for a consecutive three year period the Preference Shareholders have same rights as Equity Shareholders.In the event of liquidation of the Company, the holders of CRPS will have priority over equity shares in payment of dividend and repayment of capital.

c) Shares held by Holding Company

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity Shares of Rs. 10 each held by:			
22,19,200 Equity shares [March 31, 2016: 20,00,000; April 01, 2015: 20,00,000 shares] held by Raymond Limited and its nominees	22,19,200	20,00,000	20,00,000
Preference Shares of Rs. 100 each held by:			
34,30,000 Preference shares [March 31, 2016: 34,30,000; April 01, 2015: 34,30,000 shares] held by Raymond Limited	34,30,000	34,30,000	34,30,000

d) Details of equity and preference shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	%	No. of shares	%	No. of shares	%	No. of shares
Equity shares held by Raymond Limited and its nominees	100	22,19,200	100	20,00,000	100	20,00,000
Preference shares held by Raymond Limited	100	34,30,000	100	34,30,000	100	34,30,000

Raymond Apparel Limited
Notes to the financial statements

Note 16A - Other Equity

(Rs. in lakhs)

	Equity component of compound financial instruments	**Reserves and Surplus**				**Total**
		Amalgamation Reserve	**Securities Premium Reserve**	**General Reserves**	**Retained Earnings**	
Balance as at April 1, 2015	**1,232.73**	**92.34**	**-**	**2,630.77**	**11,879.22**	**15,835.06**
Reversal of equity component of financial instruments upon change in terms	(1,232.73)	-	-	-	1,232.73	-
Impact of conversion of financial liability to equity instrument, net of deferred tax	-	-	-	-	(562.27)	(562.27)
Profit for the year	-	-	-	-	2,084.43	2,084.43
Other Comprehensive Income for the year	-	-	-	-	359.31	359.31
Total Comprehensive Income for the year	**-**	**-**	**-**		**2,443.74**	**2,443.74**
Balance as at March 31, 2016	**-**	**92.34**	**-**	**2,630.77**	**14,993.42**	**17,716.53**
Balance as at April 1, 2016	**-**	**92.34**	**-**	**2,630.77**	**14,993.42**	**17,716.53**
Securities premium on conversion of debentures into equity shares	-	-	2,828.08	-	-	**2,828.08**
Profit for the year	-	-	-	-	802.53	**802.53**
Other Comprehensive Income for the year	-	-	-	-	736.23	**736.23**
Total Comprehensive Income for the year	**-**	**-**	**2,828.08**	**-**	**1,538.76**	**4,366.84**
Balance as at March 31, 2017	**-**	**92.34**	**2,828.08**	**2,630.77**	**16,532.18**	**22,083.37**

Raymond Apparel Limited
Notes to the financial statements

Note 17 - Non-Current Borrowings

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A. Secured			
Term loan from Bank	-	455.96	1,092.00
Secured - Total (A)	**-**	**455.96**	**1,092.00**
B. Unsecured			
Liability component of compound financial instrument:			
(a) 9% Non Cumulative Compulsory Convertible Preference Shares *	-	-	2,977.52
* Represents present value of the future cash to be paid for the preference share liability.			
(b) Debentures Nil (March 31, 2016: Nil; April 01,2015: 28,50,000) Zero Coupon Compulsorily Convertible Debentures of Rs.100 each held by Holding Company Raymond Limited	-	-	2,353.42
Unsecured - Total (B)	**-**	**-**	**5,330.94**
Total (A+B)	**-**	**455.96**	**6,422.94**

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security	Terms of Repayment
(a) Term Loan from bank, balance outstanding amounting to Rs. Nil (March 31, 2016: Rs. 455.96 Lakhs ; April 01, 2015: Rs. 1,092 lakhs) secured by hypothecation of assets created out of this loan at the Brand Stores and the Warehouse at Sai Dhara complex, Bhiwandi.	Repayable over five years beginning from April 2013 at monthly installment of Rs. 53.00 lakhs. Rate of interest 8.75% p.a. as at March 31, 2017 (March 31, 2016: 10.20% p.a.; April 01, 2015: 11.25% p.a.).
(b) Unsecured Debentures, balance outstanding amounting to Rs. Nil (March 31, 2016: Rs. 2,850 lakhs; April 01, 2015: Rs. 2,850 lakhs)	Zero Coupon Compulsory Convertible Debentures converted into 2,19,200 equity shares of Rs. 10 each on January 14, 2017.

Installments falling due within a year in respect of all the above loans aggregating Rs. 455.96 lakhs (March 31, 2016: Rs. 3,486.00 lakhs; April 01, 2015: Rs. 636.00 lakhs) have been grouped under "Current maturities of long-term debt" (Refer Note 20).

The carrying amounts of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note 35.

Note 18 - Current Borrowings

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A. Secured			
(a) Loans repayable on demand from banks	15,212.33	7,856.92	5,673.64
(b) Buyers credit arrangements (Working capital loan from banks and buyer's credit arrangement are secured by hypothecation of inventories and book debts).	239.25	410.04	144.82
Secured - Total (A)	**15,451.58**	**8,266.96**	**5,818.46**
B. Unsecured			
(a) Buyers credit arrangements	1,395.19	1,864.52	723.16
(b) Acceptances with bank	1,521.04	1,430.00	2,101.70
Unsecured - Total (B)	**2,916.23**	**3,294.52**	**2,824.86**
Total (A+B)	**18,367.81**	**11,561.48**	**8,643.32**

Raymond Apparel Limited
Notes to the financial statements

Note 19 - Trade payables

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables (Refer note 34)			
Amounts due to related parties (Refer note 40)	2,644.35	888.44	602.41
Others	14,194.59	9,212.73	7,643.29
Total	**16,838.94**	**10,101.17**	**8,245.70**

Refer Note 42 for information about liquidity risk and market risk of trade payables.

Note 20 - Other current financial liabilities

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current maturities of long-term debt	455.96	3,486.00	636.00
Interest accrued but not due on borrowings	6.72	5.52	1.28
Interest accrued and due on borrowings	34.76	14.21	19.91
Unpaid dividends #	-	-	1,646.40
Overdrawn Bank Balances	3.98	1.60	2.06
Deposits from Dealers, Agents, etc.	835.60	681.26	720.63
Employees Benefits	499.02	470.95	318.17
Derivative financial instruments	49.16	66.09	14.05
Capital Creditors	641.55	220.32	135.71
Other payables	16.88	105.19	16.99
Total	**2,543.63**	**5,051.14**	**3,511.20**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Note 21 - Other current liabilities

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance from customers	309.30	329.36	141.05
Statutory Dues	404.68	427.54	243.66
Dividend Distribution Tax	-	-	335.17
Credit Balance in Debtors	257.18	201.85	151.17
Other payables	924.37	924.37	824.16
Total	**1,895.53**	**1,883.12**	**1,695.21**

Note 22 - Short term provisions

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for employee benefits (Refer Note 39)	252.97	218.63	216.41
Proposed Dividend and Tax thereon	-	-	247.70
Total	**252.97**	**218.63**	**464.11**

Note 23 - Revenue from Operations

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Sale of Products		
Manufactured goods - Garments	8,648.43	12,151.99
Stock-in trade - Garments and Accessories	89,472.65	70,369.32
Other operating revenue		
Export Incentives	48.43	39.11
Royalty	8.03	16.81
Total	**98,177.54**	**82,577.23**

Note 24 - Other income

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Interest income	387.23	389.26
Credit Balances written back	48.29	210.50
Other non-operating income	47.37	67.42
Total	**482.89**	**667.18**

Note 25 - Cost of materials consumed

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Raw materials consumed		
Opening Stock	1,756.62	1,215.86
Purchases	4,984.00	4,907.34
Less: Closing Stock	1,702.52	1,756.62
Cost of raw materials consumed during the year	5,038.10	4,366.58
Packing materials consumed		
Opening Stock	405.01	392.25
Purchases	1,582.54	1,236.60
Less: Closing Stock	366.72	405.01
Cost of packing materials consumed during the year	1,620.83	1,223.84
Total	**6,658.93**	**5,590.42**

Note 26 - Purchase of Stock-in-Trade

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Purchase of Stock-in-Trade	54,399.42	38,813.11
Total	**54,399.42**	**38,813.11**

Note 27 - Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Opening inventories		
Finished goods	1,748.56	3,763.91
Stock-in-trade	18,154.55	14,341.04
	19,903.11	18,104.95
Closing inventories		
Finished goods	4,094.69	1,748.56
Stock-in-trade	24,211.20	18,154.55
	28,305.89	19,903.11
Total	**(8,402.78)**	**(1,798.16)**

Note 28 - Manufacturing and Operating Costs

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Job work charges	1,900.24	1,875.91
Excise duty	263.73	14.66
Other Manufacturing and Operating expenses	36.24	28.34
Total	**2,200.21**	**1,918.91**

Note 29 - Employee benefits expense

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Salaries and wages	5,444.74	4,794.30
Contribution to provident funds and other funds	186.40	174.10
Defined benefit expense (Refer note 39)	42.49	38.25
Staff welfare expenses	313.40	198.76
Total	**5,987.03**	**5,205.41**

Note 30 - Finance costs

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Interest expense on term loan	81.07	156.61
Interest expense on other short term borrowings	1,342.34	964.03
Total	**1,423.41**	**1,120.64**

Note 31 - Depreciation and amortization expense

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Depreciation on Property, Plant and Equipment	1,254.19	1,418.55
Amortization on Intangible assets	57.21	58.73
Total	**1,311.40**	**1,477.28**

Note 32 - Other expenses

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Rent	5,228.01	4,409.94
Insurance	112.19	69.33
Rates and Taxes	6.68	3.59
Advertisement and sales promotion	7,935.37	6,236.78
Commission to selling agents	7,511.06	6,159.23
Outsourced Support Services	4,513.31	3,626.72
Freight, Octroi, etc	1,597.07	1,160.23
Information Technology Support Services	286.12	283.63
Legal and professional expenses	496.97	753.49
Royalty	560.94	489.53
Payment to auditors (Refer Note A below)	26.63	26.11
Bad debts, Advances and Deposits written off	20.69	-
Provision for doubtful debts (Net of provision no longer required Rs. 96.41 lakhs; previous year Rs. 40.75 lakhs)	15.15	15.77
Provision For Doubtful Deposits, advances and others	15.02	19.26
Director Fees	40.67	41.22
Repairs & Maintainence, Others	819.77	630.70
Expenditure towards Corporate Social Responsibility (Refer Note B below)	10.00	11.00
Exchange Fluctuation - Others	43.51	115.66
Travelling & Conveyance	1,037.82	880.19
Loss on sale of assets (Net)	10.53	17.94
Security Charges	196.40	156.04
Electricity Expenses	622.46	574.16
Material Handling expenses	979.45	705.78
Miscellaneous Expenses	1,713.43	1,323.17
Total	**33,799.25**	**27,709.47**

A. Payment to Auditors:

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Auditors' remuneration and expenses:		
Statutory audit fees	21.28	20.04
Fees for other audit related services	5.18	5.42
Reimbursement of out-of-pocket expenses	0.17	0.65
	26.63	26.11

B. Details of CSR expenditure:

(Rs. in lakhs)

	Year ended Mar 31, 2017	Year ended Mar 31, 2016
Amount required to be spent as per Section 135 of the Act	42.89	10.46
Contribution to Sahachari Foundation towards women empowerment program	10.00	11.00
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	10.00	11.00

Raymond Apparel Limited
Notes to the financial statements

Note 33 - Income Taxes

Tax expense recognised in the Statement of Profit and Loss:

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Current tax		
Current tax expenses on the profit for the year	583.99	1,338.49
Total current tax	**583.99**	**1,338.49**
Deferred tax		
Origination and reversal of temporary difference	(102.96)	(215.59)
Total deferred income tax expense/(credit)	**(102.96)**	**(215.59)**
Total income tax expense/(credit)	**481.03**	**1,122.90**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(Rs. in lakhs)

Reconciliation of effective tax rate	Year ended March 31, 2017	Year ended March 31, 2016
Enacted income tax rate in India	34.608%	34.608%
Profit before tax	1,283.56	3,207.33
Income Tax expense as per enacted rate	**444.21**	**1,109.99**
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses:		
Differences due to:		
Expenses not deductible for tax purposes	21.94	11.07
Donation / CSR	1.73	1.90
Others	13.15	(0.06)
Total income tax expense/(credit)	**481.03**	**1,122.90**

(Rs. in lakhs)

Movement during the year ended March 31, 2016 and March 31,2017	As at April 01, 2015	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	Credit/ (Charge) direct to equity	As at March 31, 2016	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2017
Deferred tax assets/(liabilities)								
Provision for post retirement benefits and other employee benefits	96.62	(6.47)	-	-	90.15	4.65	-	94.80
Provision for doubtful debts and advances	54.76	12.12	-	-	66.88	9.50	-	76.38
Depreciation	1,664.76	170.51	-	-	1,835.27	84.84	-	1,920.11
Provision for sales return	285.23	34.68	-	-	319.91	-	-	319.91
Fair value gains/losses	17.25	3.18	-	-	20.43	3.97	-	24.40
MTM of outstanding forward contracts	0.62	1.57	-	-	2.19	-	-	2.19
Fair valuation of Investments	(396.59)		(47.71)	-	(444.30)	-	(99.02)	(543.32)
DTA/(DTL) recognition on Equity component	(386.80)		-	386.80	-	-	-	-
Others	-	-	0.01	-	0.01	-	-	0.01
Total	**1,335.85**	**215.59**	**(47.70)**	**386.80**	**1,890.54**	**102.96**	**(99.02)**	**1,894.48**

Raymond Apparel Limited
Notes to the financial statements

Note 34 - Dues to micro and small enterprises:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

(Rs. in lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	226.17	1,251.34	288.18
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, other than under Section 16 of MSMED Act, 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, for payments already made	-	-	-
Further interest remaining due and payable for earlier years			

Note 35 - Assets pledged as Security

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Immovable Assets			
Plant and Machinery	84.01	93.28	106.07
Leasehold Improvements	16.33	43.89	153.56
Total	**100.34**	**137.17**	**259.63**
Movable Assets			
Furniture and fixtures	153.09	215.93	300.36
Any other assets	51.95	87.03	101.91
Total	**205.04**	**302.96**	**402.27**
Other Assets			
Inventory	30,968.40	22,074.10	19,753.16
Accounts receivable	13,374.32	10,038.62	8,141.02
Total	**44,342.72**	**32,112.72**	**27,894.18**
Total assets pledged as security	**44,648.10**	**32,552.85**	**28,556.08**

Note 36 - Operating Segment

The Company’s business activity falls within a single primary business segment viz."Readymade Garments and Accessories" the disclosure requirement of IND AS -108 "Operating Segment" is not applicable. Further the Company does not meet the quantitative threshold as mentioned in Ind AS 108 and hence separate disclosure is not required.

Note 37 - Contingent liabilities, contingent assets and commitments

i) Contingent Liabilities

(Rs. in lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Claims against the Company not acknowledged as debts in respect of:			
- Sales Tax	502.83	426.61	164.17
- Income Tax	97.77	97.77	84.04
- Excise / Custom Duty	12.53	12.53	12.53
	613.13	**536.91**	**260.74**

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above matters pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

ii) Contingent assets

The company did not have any contingent assets as at the end of the year.

iii) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Rs. in lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Property, plant and equipment	381.73	88.65	206.96
Less: Capital advances	(25.34)	(22.55)	(90.84)
Net Capital commitments	**356.39**	**66.10**	**116.12**

Note 38 - Lease

(Rs. in lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Premises taken on operating lease:			
The Company has operating lease agreements for office premises, showrooms and warehouses. These lease arrangements range for a period between 3 and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.			
Lease rentals recognized in the Statement of Profit and Loss for the year is Rs. 5,228.01 lakhs (2015-16 Rs. 4,409.94 lakhs)			
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:			
For a period not later than one year	1,432.77	809.50	826.61
For a period later than one year but not later than five years	578.08	491.46	476.29
For a period later than five years	-	-	81.24

Raymond Apparel Limited
Notes to the financial statements

Note 39 - Post retirement benefit plans

I. Defined contribution plan:

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs.186.40 lakhs (31st March 2016: Rs.174.10 lakhs).

II. Defined benefit plan:

A. Balance Sheet

(Rs. in lakhs)

	Defined benefit plans		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of plan liabilities	391.45	356.07	331.66
Fair value of plan assets	391.45	355.57	316.96
Net plan liability / (asset)	**-**	**0.50**	**14.70**

B. Movements in plan assets and plan liabilities

(Rs. in lakhs)

	Year ended March 31, 2017			Year ended March 31, 2016		
	Plan Asset	Plan Liability	Total	Plan Asset	Plan Liability	Total
As at the beginning of the year	**355.57**	**356.07**	**0.50**	**316.96**	**331.66**	**14.70**
Current service cost	-	42.45	42.45	-	37.10	37.10
Interest cost	-	28.66	28.66	-	25.87	25.87
Interest income	28.62	-	(28.62)	24.72	-	(24.72)
Return on plan assets less expected interest on plan assets	(1.97)	-	1.97	(0.58)	-	0.58
Actuarial (gain)/loss arising from changes in financial assumptions	-	19.04	19.04	-	(4.12)	(4.12)
Actuarial (gain)/loss arising from experience adjustments	-	14.30	14.30	-	13.52	13.52
Employer's contributions	78.30	-	(78.30)	62.43	-	(62.43)
Benefit payments	(69.07)	(69.07)	-	(47.96)	(47.96)	-
As at the end of the year	**391.45**	**391.45**	**-**	**355.57**	**356.07**	**0.50**

The liability is split between plan participants as follows:
Number of active members: 439 members (2015-16: 403 members)
The weighted average duration of the defined benefit plans is 6 years (2015-16: 6 years)
The Company expects to contribute Rs. 51.97 lakhs to the funded plans in financial year 2017-18 (2016-17: Rs. 42.94 lakhs)

C. Statement of Profit and Loss

(Rs. in lakhs)

	Year ended March 31, 2017	Year ended March 31, 2016
Employee benefit expenses:		
Current service cost	42.45	37.10
Finance cost/(income)	0.04	1.15
Net impact on the profit/(loss) before tax (Refer note 29)	**42.49**	**38.25**
Remeasurement of the net defined benefit liability:		
Actual return on plan assets less expected interest on plan assets	1.97	0.58
Actuarial gains/(losses) arising from changes in financial assumptions	19.04	(4.12)
Actuarial (gain)/loss arising from experience adjustments	14.30	13.52
Net impact on the Other Comprehensive Income before tax	**35.31**	**9.98**

D. Assets

(Rs. in lakhs)

	Defined benefit plans		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unquoted			
Insurer Managed Fund	391.45	355.57	316.96
Total	**391.45**	**355.57**	**316.96**

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind-AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial Assumptions			
Discount rate	7.01%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%
Expected Rate of Return on Assets (per annum)	7.01%	8.05%	7.80%

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08)

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	2017			2016		
	Change in assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%	(18.35)	20.32	1.00%	(15.52)	17.09
Salary Escalation Rate	1.00%	20.02	(18.43)	1.00%	17.02	(15.73)
Employee Turnover Rate	5.00%	(8.31)	10.46	5.00%	(2.26)	1.43

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end as follows:

(Rs. in lakhs)

Year ending March 31	2017	2016
1st following year	52.22	49.90
2nd following year	48.74	48.93
3rd following year	49.40	45.33
4th following year	51.96	51.28
5th following year	46.14	45.21
Thereafter	160.58	155.90

H Risk exposure:

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

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India Limited. It is subject to interest rate risk. The company intends to maintain the above investments in the continuing years.

Raymond Apparel Limited
Notes to the financial statements

Note 40 - Related Party Disclosures as per IND AS 24:

I.	**Relationships**	**Country of Incorporation**	**Ownership Interest** March 31, 2017	March 31, 2016	April 01, 2015
(a)	**Holding Company:**				
	Raymond Limited	India	100%	100%	100%
(b)	**Subsidiary Company :**				
	Colorplus Fashions Limited	India	100%	100%	100%

Other Related Parties with whom transactions have taken place:

(c)	**Fellow Subsidiary Companies :**	
	Silver Spark Apparel Limited	India
	Celebrations Apparel Limited	India
	Raymond Woollen Outerwear Limited	India
	JK Files (India) Limited	India
	Ring Plus Aqua Limited	India
	Raymond Luxury Cotton Limited	India
	Dress Master Apparel Private Limited	India
(d)	**Other Related Parties where significant influence exists for the Related Party stated in (a) above:**	
	J.K. Helene Curtis Limited	India
	J.K. Ansell Limited	India
(e)	**Joint Ventures of Related Party referred to in (a) above:**	
	Raymond Uco Denim Private Limited	India
(f)	**Related Party which has significant influence on Related Party stated in (a) above:**	
	J.K. Investors (Bombay) Limited	India
(g)	**Key management personnel**	
	Dr. Vijaypat Singhania	India
	Gaurav Dalmia	India
	Gautam Hari Singhania	India
	I D Agarwal	India
	Joydeep Bhattacharya	India
	Nirvik Singh	India
	Smt. Ashadevi Singhania	India
	Sanjay Kumar Behl**	India
	Bibek Agarwala**	India

***No transactions during the year*

II. Transactions carried out with related parties referred to in 1(a) to 1(f) above:

(Rs. in lakhs)

Nature of transaction	**Related Parties** Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above
Purchase							
Goods and Materials							
Raymond Limited	1,947.54 (2,467.38)						
Raymond Luxury Cotton Limited			46.98 (64.80)				
Silver Spark Apparel Limited			3.97 (23.61)				
Celebrations Apparel Ltd			3,998.43 (4,522.76)				
Dress Master Apparel Pvt Ltd			149.10 (461.82)				
Others				137.29 (135.41)			
Raymond Uco Denim Private Limited					529.62 (141.71)		
Fixed Assets							
Silver Spark Apparel Limited			31.50 (-)				
Sales							
Goods and Materials							
Raymond Limited	7,692.93 (5,759.04)						
Colorplus Fashions Ltd.		136.27 (-)					
Celebrations Apparel Ltd.			123.08 (22.63)				
JK Files (India) Ltd.			0.09 (-)				

(Rs. in lakhs)

Nature of transaction	Related Parties						
	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above
Raymond Luxury Cotton Limited			5.88 (-)				
Others			- (0.18)	33.64 (79.89)			
Expenses							
Rent and other Service Charges							
Raymond Limited	191.54 (197.78)						
Job Work Charges							
Silver Spark Apparel Limited			119.31 (1,085.58)				
Celebrations Apparel Limited			14.36 (81.93)				
Dress Master Apparel Pvt Ltd			1,924.84 (366.09)				
Agency Commission							
J.K. Investors (Bombay) Limited						58.01 (63.05)	
Royalty							
Raymond Limited	653.10 (549.59)						
Turnover Incentive							
Raymond Limited	- (168.37)						
Interest paid (ICD)							
Raymond Limited	625.12 (641.67)						
Deputation of Staff							
Raymond Limited	- (155.76)						
Other Payments:							
Advertisement Expenses							
Raymond Limited	1,243.78 (19.10)						
Reimbursement of Expenses							
Raymond Limited	732.69 (510.89)						
J.K. Investors (Bombay) Limited						0.24 (-)	
Loyalty Bonus							
Raymond Limited	70.33 (-)						
Director Fees							
Dr. Vijaypat Singhania							1.15 (3.40)
Gaurav Dalmia							4.60 (5.69)
Gautam Hari Singhania							4.60 (3.41)
I D Agarwal							11.03 (10.70)
Joydeep Bhattacharya							8.96 (10.03)
Nirvik Singh							8.04 (5.71)
Smt. Ashadevi Singhania							2.30 (2.28)
Income							
Reimbursement of Expenses							
Raymond Limited	489.71 (262.80)						
Colorplus Fashions Ltd.		346.20 (364.33)					
J.K. Investors (Bombay) Limited						52.68 (122.53)	
Deputation of Staff							
Raymond Limited	- (53.38)						
Colorplus Fashions Ltd.		- (89.54)					
Finance:							
Loans taken and repaid							
Raymond Limited	27,500.00 (28,200.00)						

Note: The above disclosures do not include change in terms of Preference Shares and Debentures held by the Holding Company (Refer note 16 and 17).
(Previous year's figures have been shown within the brackets).

III. Balances receivable or payable at the year end:

(Rs. in lakhs)

Nature of transaction	As at Mar 31, 2017	As at Mar 31, 2016	As at Apr 01, 2015
Accounts Payable:			
Holding Company			
Raymond Limited	1,502.02	-	-
Subsidiary			
Colorplus Fashions Ltd.	-	88.24	-
Fellow Subsidiary			
Silver Spark Apparel Limited	3.99	5.79	232.45
Celebrations Apparel Limited	550.93	420.63	329.45
Dress Master Apparel Private Limited	374.79	370.13	-
Raymond Luxury Cotton Limited	24.49	3.64	21.43
Others	188.13	0.01	19.08
Total	**2,644.35**	**888.44**	**602.41**
Unpaid Dividends:			
Holding Company			
Raymond Limited	-	-	1,646.40
Total	-	-	**1,646.40**
Accounts Receivable:			
Holding Company			
Raymond Limited	760.59	900.98	813.42
Subsidiary			
Colorplus Fashions Ltd.	136.27	-	2.90
Fellow Subsidiary			
Others	7.28	2.10	10.43
Convertible Debentures			
Holding Company			
Raymond Limited	-	2,850.00	2,850.00
	904.14	**3,753.08**	**3,676.75**
Claims and other receivable:			
Subsidiary			
Colorplus Fashions Ltd.	468.23	-	-
	468.23	**-**	**-**

Note 41 - Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lakhs)

Financial Assets and Liabilities as at March 31, 2017				**Fair Value through P & L**				**Fair Value through OCI**				**Carried at amortised cost**				**Total Amount**
	Non Current	**Current**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	
Financial Assets																
Investment																
Equity instruments	4,714.59	-	4,714.59	-	-	-	-	-	4,714.59	-	4,714.59	-	-	-	-	4,714.59
	4,714.59	**-**	**4,714.59**	**-**	**-**	**-**	**-**	**-**	**4,714.59**	**-**	**4,714.59**	**-**	**-**	**-**	**-**	**4,714.59**
Other Assets																
Loans	1.62	7.62	9.24	-	-	-	-	-	-	-	-	-	-	9.24	9.24	9.24
Other Financial Assets																
- Security Deposits	2,329.85	171.03	2,500.88	-	-	-	-	-	-	-	-	-	-	2,500.88	2,500.88	2,500.88
- Others	4.91	689.35	694.26	-	-	-	-	-	-	-	-	-	-	694.26	694.26	694.26
Trade receivable	-	13,374.32	13,374.32	-	-	-	-	-	-	-	-	-	-	13,374.32	13,374.32	13,374.32
Cash and Cash equivalents	-	21.94	21.94	-	-	-	-	-	-	-	-	-	-	21.94	21.94	21.94
	7,050.97	**14,264.26**	**21,315.23**	**-**	**-**	**-**	**-**	**-**	**4,714.59**	**-**	**4,714.59**	**-**	**-**	**16,600.64**	**16,600.64**	**21,315.23**
Financial Liabilities																
Borrowings	-	18,367.81	18,367.81	-	-	-	-	-	-	-	-	-	-	18,367.81	18,367.81	18,367.81
Other Financial Liabilities	-	2,543.63	2,543.63	-	49.16	-	49.16	-	-	-	-	-	-	2,494.47	2,494.47	2,543.63
Trade Payables	-	16,838.94	16,838.94	-	-	-	-	-	-	-	-	-	-	16,838.94	16,838.94	16,838.94
	-	**37,750.38**	**37,750.38**	**-**	**49.16**	**-**	**49.16**	**-**	**-**	**-**	**-**	**-**	**-**	**37,701.22**	**37,701.22**	**37,750.38**

(Rs. in lakhs)

Financial Assets and Liabilities as at March 31, 2016				**Fair Value through P & L**				**Fair Value through OCI**				**Carried at amortised cost**				**Total Amount**
	Non Current	**Current**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	
Financial Assets																
Investment																
Equity instruments	3,856.25		3,856.25				-		3,856.25		3,856.25			-	-	3,856.25
	3,856.25	**-**	**3,856.25**	**-**	**-**	**-**	**-**	**-**	**3,856.25**	**-**	**3,856.25**	**-**	**-**	**-**	**-**	**3,856.25**
Other Assets																
Loans	2.44		2.44	-	-	-	-	-	-	-	-	-	-	2.44	2.44	2.44
Other Financial Assets																
- Security Deposits	1,927.85	24.76	1,952.61	-	-	-	-	-	-	-	-	-	-	1,952.61	1,952.61	1,952.61
- Others	3.41	119.94	123.35	-	-	-	-	-	-	-	-	-	-	123.35	123.35	123.35
Trade receivable	-	10,038.62	10,038.62	-	-	-	-	-	-	-	-	-	-	10,038.62	10,038.62	10,038.62
Cash and Cash equivalents	-	17.18	17.18	-	-	-	-	-	-	-	-	-	-	17.18	17.18	17.18
	5,789.95	**10,200.50**	**15,990.45**	**-**	**-**	**-**	**-**	**-**	**3,856.25**	**-**	**3,856.25**	**-**	**-**	**12,134.20**	**12,134.20**	**15,990.45**
Financial Liabilities							-									
Borrowings	455.96	11,561.48	12,017.44	-	-	-	-	-	-	-	-	-	-	12,017.44	12,017.44	12,017.44
Other Financial Liabilities	-	5,051.14	5,051.14	-	66.09	-	66.09	-	-	-	-	-	-	4,985.05	4,985.05	5,051.14
Trade Payables	-	10,101.17	10,101.17	-	-	-	-	-	-	-	-	-	-	10,101.17	10,101.17	10,101.17
	455.96	**26,713.79**	**27,169.75**	**-**	**66.09**	**-**	**66.09**	**-**	**-**	**-**	**-**	**-**	**-**	**27,103.66**	**27,103.66**	**27,169.75**

(Rs. in lakhs)

Financial Assets and Liabilities as at 1st April'2015				Fair Value through P & L				Fair Value through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
Equity instruments	3,442.75	-	3,442.75	-	-	-	-	-	3,442.75	-	3,442.75	-	-	-	-	3,442.75
	3,442.75	-	3,442.75	-	-	-	-	-	3,442.75	-	3,442.75	-	-	-	-	3,442.75
Other Assets																
Loans	0.54	6.37	6.91	-	-	-	-	-	-	-	-	-	-	6.91	6.91	6.91
Other Financial Assets																
- Security Deposits	1,687.18	101.39	1,788.57	-	-	-	-	-	-	-	-	-	-	1,788.57	1,788.57	1,788.57
- Others	2.75	141.64	144.39	-	-	-	-	-	-	-	-	-	-	144.39	144.39	144.39
Trade receivable	-	8,141.02	8,141.02	-	-	-	-	-	-	-	-	-	-	8,141.02	8,141.02	8,141.02
Cash and Cash equivalents	-	28.00	28.00	-	-	-	-	-	-	-	-	-	-	28.00	28.00	28.00
Other Bank Balances	-	2.10	2.10	-	-	-	-	-	-	-	-	-	-	2.10	2.10	2.10
	5,133.22	8,420.52	13,553.74	-	-	-	-	-	3,442.75	-	3,442.75	-	-	10,110.99	10,110.99	13,553.74
Financial Liabilities																
Borrowings	6,422.94	8,643.32	15,066.26	-	-	-	-	-	-	-	-	-	-	15,066.26	15,066.26	15,066.26
Other Financial Liabilities	-	3,511.20	3,511.20	-	14.05	-	14.05	-	-	-	-	-	-	3,497.15	3,497.15	3,511.20
Trade Payables	-	8,245.70	8,245.70	-	-	-	-	-	-	-	-	-	-	8,245.70	8,245.70	8,245.70
	6,422.94	20,400.22	26,823.16	-	14.05	-	14.05	-	-	-	-	-	-	26,809.11	26,809.11	26,823.16

Valuation technique used to determine fair value in respect of Investment in Level II.

JK Investors (Bombay) Ltd

Valuation of JK Investors (Bombay) Ltd has beed carried out by an independent valuer based on Market Approach (EV/EBITDA multiple) for its core business and based on Market Approach (Market Price, PECV multiple), Net Assets Value Approach as applicable in repect of its investment in various entities.

Fair values of financial assets and liabilities carried at amortised cost:

(Rs. in lakhs)

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Other Assets						
Loans	9.24	9.24	2.44	2.44	6.91	6.91
Other Financial Assets						
- Security Deposits	2,500.88	2,500.88	1,952.61	1,952.61	1,788.57	1,788.57
- Others	694.26	694.26	123.35	123.35	144.39	144.39
Trade Receivable	13,374.32	13,374.32	10,038.62	10,038.62	8,141.02	8,141.02
Cash and Cash equivalents	21.94	21.94	17.18	17.18	28.00	28.00
Other Bank Balances	-	-	-	-	2.10	2.10
	16,600.64	16,600.64	12,134.20	12,134.20	10,110.99	10,110.99
Financial Liabilities						
Borrowings	18,367.81	18,367.81	12,017.44	12,017.44	15,066.26	15,066.26
Other Financial Liabilities	2,494.47	2,494.47	4,985.05	4,985.05	3,497.15	3,497.15
Trade Payables	16,838.94	16,838.94	10,101.17	10,101.17	8,245.70	8,245.70
	37,701.22	37,701.22	27,103.66	27,103.66	26,809.11	26,809.11

Raymond Apparel Limited
Notes to the financial statements

Note 42 - Financial Risk Management

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategy. The Company's financial risk management policy is set by the Board.
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through treasury department, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommends risk mangament objectives and policies, which are approved by the Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts , borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs. in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Borrowings bearing variable rate of interest	18,823.77	12,653.44	10,371.32

Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax:

(Rs. in lakhs)

Change	Year ended March 31, 2017	Year ended March 31, 2016
50 bps increase would decrease the profit before tax by	(94.12)	(63.27)
50 bps decrease would increase the profit before tax by	94.12	63.27

Raymond Apparel Limited
Notes to the financial statements

Market Risk: Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure:

(a) Derivative outstanding as at the reporting date: **(FC in lakhs)**

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Currency	Amount	Currency	Amount	Currency	Amount
Forward contracts to buy USD	USD	29.76	USD	40.80	USD	32.88

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

(b) Particulars of unhedged foreign currency exposures as at the reporting date:

(FC in lakhs)

As at March 31, 2017	USD	EURO	GBP
Trade Receivables	-	-	-
Trade Payables	14.65	0.01	-

As at March 31, 2016	USD	EURO	GBP
Trade Receivables	2.09	0.02	0.12
Trade Payables	1.41	-	-

As at April 01, 2015	USD	EURO	GBP
Trade Receivables	1.00	-	0.03
Trade Payables	0.53	0.20	-

(c) Foreign Currency Risk Sensitivity

A change of 1% in foreign currency would have following impact on profit before tax:

(Rs. in lakhs)

	2016-2017		2015-2016	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(9.50)	9.50	0.45	(0.45)
EURO	(0.01)	0.01	0.02	(0.02)
GBP	-	-	0.11	(0.11)
Increase / (decrease) in profit or loss	**(9.51)**	**9.51**	**0.58**	**(0.58)**

Raymond Apparel Limited
Notes to the financial statements

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;
ii) Actual or expected significant changes in the opertaing results of the counterparty;
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
iv) Significant increase in credit risk on other financial instruments of the same counterparty;
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

Ageing of Account Receivables

(Rs. in lakhs)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Not due	8,062.67	6,176.96	4,339.92
0-3 months	4,007.55	3,055.46	3,243.95
3-6 months	1,238.08	693.16	480.41
6 months to 12 months	66.02	85.04	76.74
Beyond 12 months and less than 2 years	-	28.00	-
Total	**13,374.32**	**10,038.62**	**8,141.02**

Movement in provisons of doubtful debts

(Rs. in lakhs)

	March 31, 2017	March 31, 2016
Balance at the beginning of the year	173.99	158.22
Add: Allowance for bad and doubtful debts	111.57	56.52
Less: Provision written back / reversed	(78.00)	(40.75)
Less:- Provision utilised against bad debts	(18.42)	-
Balance at the end of the year	**189.14**	**173.99**

Raymond Apparel Limited
Notes to the financial statements

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs. in lakhs)

	As at March 31, 2017			As at March 31, 2016			As at April 01, 2015		
	0-1 year	1-5 years	Total	0-1 year	1-5 years	Total	0-1 year	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	455.96	-	455.96	636.00	455.96	1,091.96	636.00	1,092.00	1,728.00
Short term borrowings	18,367.81	-	18,367.81	11,561.48	-	11,561.48	8,643.32	-	8,643.32
Total	**18,823.77**	**-**	**18,823.77**	**12,197.48**	**455.96**	**12,653.44**	**9,279.32**	**1,092.00**	**10,371.32**

Maturity patterns of other financial liabilities

(Rs. in lakhs)

As at March 31, 2017	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	8,913.98	7,919.68	-	5.28		16,838.94
Payable related to Capital goods	641.55	-	-	-	-	641.55
Other Financial Liability (Current and Non Current)	1,355.48	90.64	-	-	-	1,446.12
Total	**10,911.01**	**8,010.32**	**-**	**5.28**	**-**	**18,926.61**

(Rs. in lakhs)

As at March 31, 2016	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	2,516.00	7,585.17	-	-	-	10,101.17
Payable related to Capital goods	220.32	-	-	-	-	220.32
Other Financial Liability (Current and Non Current)	1,259.00	59.81	26.01	-	-	1,344.82
Total	**3,995.32**	**7,644.98**	**26.01**	**-**	**-**	**11,666.31**

(Rs. in lakhs)

As at April 01, 2015	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	3,774.24	4,471.36	0.10	-	-	8,245.70
Payable related to Capital goods	135.71	-	-	-	-	135.71
Other Financial Liability (Current and Non Current)	1,057.85	1,680.99	0.65	-	-	2,739.49
Total	**4,967.80**	**6,152.35**	**0.75**	**-**	**-**	**11,120.90**

Note 43 - Capital Risk Management

Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.
The capital structure of the Company is based on management’s judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets in order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 44 - Specified Bank Notes

(Rs. in lakhs)

Particulars	Specified Bank Notes * (SBNs)	Other Denomination Notes	Total
Closing Cash Balance as on November 8, 2016	15.05	2.33	17.38
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in Banks	15.05	-	-
Closing Cash in Hand as on December 30, 2016	-	-	-

* Specified Bank Notes (SBNs) is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.
The disclosures with respect to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on December 30, 2016' is understood to be applicable in case of SBNs only.

Note 45 - First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2016, with a transition date of April 01, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended March 31, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes:

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

A. Optional Exemptions

i. **Business Combination**
All transactions qualifying as business combinations under Ind AS 103, occurring before the transition date, the Company has opted not to restate any business combinations before the date of transition.

ii. **Deemed Cost**
The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and equipment and intangible assets as deemed cost as at transition date.

iii. **Investments in subsidiary**
The Company has opted para D14 and D15 and accordingly considered the cost of investment as deemed cost as at transition date.

iv. **Designation of previously recognised financial instruments**
Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.
The company has elected to apply this exemption for its investment in equity Investments.

B. **Mandatory Exceptions**

i. Estimates
An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).
Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

ii. Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations
The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

i. Reconciliation of Balance Sheet as at April 01, 2015 (Transition Date).
ii. Reconciliation of Balance Sheet as at March 31, 2016 and reconciliation of Statement of Total Comprehensive Income for the year ended March 31, 2016.

iii. Reconciliation of Equity as at April 01, 2015 and March 31, 2016.
iv. Adjustments to Statement of Cash Flows

The presentation requirements under previous GAAP differs from Ind AS and hence previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with the previous GAAP.

I. Reconciliation of Balance sheet as at April 01, 2015 **(Rs. in lakhs)**

	Note	Regrouped Previous GAAP *	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		2,096.08	-	2,096.08
Capital work-in-progress		200.55	-	200.55
Intangible assets		166.78	-	166.78
Investment in subsidiary		6,339.65	-	6,339.65
Financial Assets				
Investment	**b**	4.85	3,437.90	3,442.75
Loans		0.54	-	0.54
Other financial assets	**c**	2,318.84	(628.91)	1,689.93
Deferred tax assets (Net)	**a,b,d**	1,816.15	(480.30)	1,335.85
Assets for Current Tax (Net)		641.61	-	641.61
Other non-current assets	**c**	162.22	449.99	612.21
Current assets				
Inventories		19,753.16	-	19,753.16
Financial Assets				
Trade receivables		8,141.02	-	8,141.02
Cash and cash equivalents		28.00	-	28.00
Bank Balances other than cash and cash equivalents		2.10	-	2.10
Loans		6.37	-	6.37
Other financial assets		243.03	-	243.03
Other current assets	**c.**	401.56	129.09	530.65
TOTAL		**42,322.51**	**2,907.77**	**45,230.28**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		200.00	-	200.00
Other Equity	**a,b,c,d,g**	12,804.17	3,030.89	15,835.06
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	**g.**	7,372.01	(949.07)	6,422.94
Current liabilities				
Financial Liabilities				
Borrowings	**h**	6,541.62	2,101.70	8,643.32
Trade payables	**h**	10,347.40	(2,101.70)	8,245.70
Other financial liabilities	**d**	3,509.41	1.79	3,511.20
Other current liabilities	**a**	871.05	824.16	1,695.21
Short term provisions		464.11	-	464.11
Liabilities for Current Tax (Net)		212.74	-	212.74
TOTAL		**42,322.51**	**2,907.77**	**45,230.28**

* As per Para (10) of Ind AS 101 requires an entity reclassify items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs. Accordingly, assets and liabilities which are different types of assets and liabilities in Ind AS were reclassified as at transition date.

II. Reconciliation of Balance Sheet as at March 31, 2016 **(Rs. in lakhs)**

	Note	Regrouped Previous GAAP *	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		2,567.35	-	2,567.36
Capital work-in-progress		105.60	-	105.60
Other Intangible assets		123.95	-	123.96
Investment in subsidiary		6,339.65	-	6,339.65
Financial Assets				
Investment	**b.**	4.85	3,851.40	3,856.25
Loans		2.44	-	2.44
Other financial assets	**c.**	2,725.01	(793.75)	1,931.26
Deferred tax assets (Net)	**a,b,d**	1,992.30	(101.76)	1,890.54
Assets for Current Tax (Net)		129.29	-	129.29
Other non-current assets	**c.**	178.09	583.48	761.57
Current assets				
Inventories		22,074.10	-	22,074.10
Financial Assets				
Trade receivables		10,038.62	-	10,038.62
Cash and cash equivalents		17.18	-	17.18
Bank Balances other than cash and cash equivalents		-	-	-
Loans		10.03	-	10.03
Other financial assets		144.70	-	144.70
Other current assets	**c**	655.58	151.23	806.81
TOTAL		**47,108.74**	**3,690.62**	**50,799.36**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		3,630.00	-	3,630.00
Other Equity	**a,b,c,d,g**	14,954.84	2,761.69	17,716.53
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings		455.96	-	455.96
Current liabilities				
Financial Liabilities				
Borrowings	**h**	10,131.48	1,430.00	11,561.48
Trade payables	**h**	11,531.17	(1,430.00)	10,101.17
Other financial liabilities	**d**	5,046.60	4.54	5,051.14
Other current liabilities	**a**	958.75	924.37	1,883.12
Short term provisions		218.63	-	218.63
Liabilities for Current Tax (Net)		181.31	0.02	181.33
TOTAL		**47,108.74**	**3,690.62**	**50,799.36**

II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

(Rs. in lakhs)

	Note	Regrouped Previous GAAP *	Ind AS adjustments	Ind AS
Revenue from Operations	a,f	82,667.75	(90.52)	82,577.23
Other Income	c	608.66	58.52	667.18
Total		**83,276.41**	**(32.00)**	**83,244.41**
Expenses				
Cost of materials consumed		5,590.42	-	5,590.42
Purchases of Stock-in-Trade		38,813.11	-	38,813.11
Changes in inventories	g	(1,793.19)	(4.97)	(1,798.16)
Manufacturing and Operating Costs	g	1,904.25	14.66	1,918.91
Employee benefits expense	e	5,215.39	(9.98)	5,205.41
Finance costs		1,120.64	-	1,120.64
Depreciation and amortization expense		1,477.28	-	1,477.28
Other expenses	c,d	27,639.00	70.47	27,709.47
Total		**79,966.90**	**70.18**	**80,037.08**
Profit before exceptional items and tax		**3,309.51**	**(102.18)**	**3,207.33**
Exceptional Items		-	-	-
Profit before tax		**3,309.51**	**(102.18)**	**3,207.33**
Tax expense				
Current tax		1,335.00	3.49	1,338.49
Deferred tax (net)	a,d	(176.16)	(39.43)	(215.59)
Profit for the year (A)		**2,150.67**	**(66.24)**	**2,084.43**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Changes in fair value of FVOCI equity instruments	b	-	413.50	413.50
Remeasurements of net defined benefit plan	e	-	(9.98)	(9.98)
Current tax relating to these items		-	3.49	3.49
Deferred tax charge/(credit) relating to these items	b,e	-	(47.70)	(47.70)
			-	
Other Comprehensive Income for the year (B)		**-**	**359.31**	**359.31**
Total Comprehensive Income for the year (A+B)		**2,150.67**	**293.07**	**2,443.74**
Less:-				
Equity holder of parent		2,150.67	293.07	2,443.74

III A Reconciliation of Equity

(Rs. in lakhs)

	Note	As at March 31, 2016	As at April 01, 2015
Total equity under local GAAP		18,584.84	16,434.17
6% Cumulative Redeemable Preference shares classified under borrowings under Ind AS		-	(3,430.00)
Adjustment Impact - Gain/ (Loss):			
Opening adjustments:		3,030.89	-
Equity Component of Financial Lialbility, net of deferred tax, as on transition date	g	(237.54)	237.54
Debentures adjustment (interest accrual), net of deferred tax		(324.73)	324.73
Gain from fair valuation of Investment, net of deferred tax.	b	365.79	3,041.32
Impact of fair valuation of interest free security deposits, net of deferred tax.	c	(6.01)	(32.59)
Loss on Mark to market of foreign exchange forward contracts, net of deferred tax.	d	(1.18)	(1.17)
Provision for estimated Sales return, net of deferred tax.	a	(65.53)	(538.94)
Total Ind AS adjustment		**2,761.69**	**3,030.89**
Total equity under Ind AS		**21,346.53**	**16,035.06**

III B **Reconciliation of Income Statement**

(Rs. in lakhs)

	Note	Year ended March 31, 2016
Profit after tax under local GAAP		2,150.67
Adjustments Gain/ (Loss):		
Interest Income on fair valuation of security deposits	**c**	58.52
Marked-to-market loss on oustanding forward contracts	**d**	(2.75)
Deferred rent expense	**c**	(67.72)
Actuarial losses reclassified to Other Comprehensive Income	**e**	9.98
Provision for sales return	**a**	(100.21)
Tax impact of Ind AS adjustments.	**e**	(3.49)
Change in deferred tax due to Ind AS adjustments	**a,d**	39.43
Total Ind AS Impact		**(66.24)**
Total profit under Ind AS		**2,084.43**

III C **Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016**

	Note	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flow from operating activities	**h**	1,719.03	670.11	2,389.14
Net cash flow from investing activities		(1,297.64)	-	(1,297.64)
Net cash flow from financing activities	**h**	(432.21)	(671.71)	(1,103.92)
Net increase/(decrease) in cash and cash equivalents		(10.82)	(1.60)	(12.42)
Cash and cash equivalents as at 1 April 2015		**28.00**	**-**	**28.00**
Effects of exchange rate changes on cash and cash equivalents				
Cash and cash equivalents as at 31 March 2016		**17.18**	**(1.60)**	**15.58**

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to Ind AS:

a. **Other Liabilities**

As per para 17 of Ind AS 18 - Revenue recognition, provision has been made for estimated sales returns of Rs. 924.37 lakhs as at March 31, 2016 (April 01, 2015: Rs. 824.16 lakhs) and consequent impact to retained earnings as at transition date and profit and loss for the period of 2015-16.

b. **Fair Valuation of Investments**

Under the previous GAAP, investments in equity instruments were classified as non-current investments based on the intended holding period and realisability. These investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value.

Fair value changes with respect to investments in equity instruments designated as FVOCI have been recognised in FVOCI - equity investments as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2016.

Consequent to the above, the total equity as at March 31, 2016 increased by Rs. 365.80 lakhs (April 01, 2015: Rs. 3059.16 lakhs) and profit and other comprehensive income for the year ended March 31, 2016 increased by Rs. NIL and Rs. 365.80 lakhs respectively.

c. **Security deposits**

Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between fair value of security deposits has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by Rs 793.75 lakhs as at March 31, 2016 (April 01, 2015: Rs 628.91 Rs. lakhs). The prepaid rent increased by Rs. 734.71 lakhs as at March 31, 2016 (April 01, 2015: Rs 579.08 lakhs). Total equity decreased by Rs. 49.83 lakhs as at April 01, 2015. The profit for the year and total equity as at March 31, 2016 decreased by Rs. 9.20 lakhs due to amortisation of the prepaid rent of Rs 67.72 lakhs which is partially off-set by the notional interest income of Rs. 58.52 lakhs recognised on security deposits.

d. **Fair valuation of forward contracts**

As per Ind AS 109 - Forward contracts are carried at fair value with gains and losses recorded in the Income Statement. Accordingly, the same have been fair valued, which has resulted in increase in equity Rs 2.75 lakhs as at March 31, 2016 (April 01, 2015: Rs 1.79 lakhs).

e. **Remeasurements of post employment benefit obligation**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 has increased by Rs. 9.98 lakhs. There is no impact on the total equity as at March 31, 2016.

f. **Excise Duty**

Under the previous GAAP revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented under manufacturing and operating costs in the statement of profit and loss.
This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016 by Rs. 9.69 lakhs. There is no impact on the total equity and profit.

g. **Prefrence Share**

Preference shares shown as financial liability as at the transition date. These are classified as equity instruments as at March 31, 2016, consequent to the modification in the terms of these Preference shares, effective April 1, 2015, subsequent to transition to Ind AS.

h. **Trade Payables**

Under previous GAAP, acceptances was classified under trade payables. Wheras as per Ind AS of acceptances Rs. 1430.00 lakhs as on 31st March 2016 (1st April 2015: Rs. 2101.70 lakhs) it has been classified under unsecured borrowings

Raymond Apparel Limited
Notes to the financial statements

Note 46 - Earning's per share

(Rs. in Lakhs)

	Year ended March 31, 2017	**Year ended March 31, 2016**
Earning's per share has been computed as under:		
Profit for the year	802.53	2,084.43
Weighted average number of equity shares outstanding	20,46,242	20,00,000
Basic Earning's Per Share (Face value of Rs. 10 per share)	39.22	104.22
Add: Weighted average number of potential equity shares	2,64,000	4,83,200
Weighted average number of Equity shares (including dilutive shares) outstanding	23,10,242	24,83,200
Diluted Earning's Per Share (Face value of Rs. 10 per share)	34.74	83.94

Note 47 - Consolidation of Subsidiary

As per second proviso of Rule 6 of Companies (Account) Amendment Rule, 2016, the Company being - (i) a wholly owned subsidiary of Raymond Limited; (ii) not listed in India or outside India and (iii) the parent Company files its consolidated financial statements, hence the Company has availed the exemption from preparation of consolidated financial statement.

Note 48 - Scheme of Arrangement

During the year, under the Scheme of Arrangement, Colorplus Fashions Limited (CP) and Raymond Apparel Limited (RAL) along with their respective shareholders approved the demerger of "Demerged Undertaking" which is including but not limited to the entire business of the CP, relating to Readymade Garment and Accessories Undertaking along with all related assets, liabilities, employees, into RAL. The Scheme, as approved by the National Company Law Tribunal, shall be effective from the appointed date which is April 1, 2016.

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: April 28, 2017

For and on behalf of the Board of Directors

sd/-

Gautam Hari Singhania
Chairman
DIN: 00020088

sd/-

Director
DIN:

sd/-

Bibek Agarwala
Chief Financial Officer

sd/-

Priti Alkari
Company Secretary

Place: Mumbai
Date: April 28, 2017

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sr No.	Particulars	(₹ in Lac)
1	Sl. No.	1
2	Name of the subsidiary	Color Plus Fashions Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
5	Share capital	100.00
6	Reserves & surplus	5917.35
7	Total assets	16692.60
8	Total Liabilities	16692.60
9	Investments	NIL
10	Turnover	26932.19
11	Profit / (Loss) before taxation	(1760.91)
12	Provision for taxation/ Deferred tax charge/(credit)	(545.78)
13	Profit / (Loss) after taxation	(1215.13)
14	Proposed Dividend	NIL
15	% of shareholding	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-	-	-
No.	-	-	-
Amount of Investment in Associates/Joint Venture	-	-	-
Extend of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Networth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
i. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of Directors

sd/- sd/-

Gautam Hari Singhania
Chairman
DIN: 00020088

Ishawar Das Agarwal
Director
DIN: 00293784

Place: Mumbai
Date: April 28, 2017

RAYMOND WOOLLEN OUTERWEAR LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS :	SHRI R.K. BHATNAGAR SHRI SHRI H. K. CHATTERJEE SHRI VIJAY PATIL
STATUTORY AUDITORS :	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
REGISTERED OFFICE :	NEW HIND HOUSE, N.M. MARG, BALLARD ESTATE, MUMBAI - 400 001 MAHARASHTRA

RAYMOND WOOLLEN OUTERWEAR LIMITED
(CIN: U17120MH2005PLC154066)

DIRECTORS' REPORT

To,

The Members of RAYMOND WOOLLEN OUTERWEAR LIMITED

Your Directors present their Twelfth Annual Report on the business and operations of the Company along with Audited Financial Statements for the year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

The Gross Revenue of the company for FY 2017 stood at Rs. 0.27 crore (Previous Year: Rs. 3.24 crore). During the year, the company had a Loss of Rs. 0.08 crore as against a Loss of Rs. 0.23 crore in the previous year.

2. DIVIDEND

In order to conserve resources, your Company has not declared any dividend for the FY 2017.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Company places on record its appreciation for the services rendered by M/s. Dalal & Shah LLP, Chartered Accountants as Statutory Auditors of the Company.

Further, Subject to approval of member in the ensuing Annual General Meeting, the Board of Directors of the Company has recommended the Appointment of M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), as statutory auditors of the Company in terms of Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is periodically assessed and strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs 1.94 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, Shri Vijay Patil, Director of the Company holds 7000 Equity shares whereas no other Directors of the Company hold any shares or the convertible instruments of the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013, accepted or given by the Company.

9. DIRECTORS AND THEIR MEETINGS

The Board of Directors had appointed Shri Vijay Patil (DIN: 07173161) as an Additional Director of the Company with effect from October 24, 2016. In terms of Section 161 of the Companies Act, 2013 Shri Vijay Patil holds office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

During the year, Shri Atul Dharap has resigned from the Board of Directors with effect from October 24, 2016, due to other professional commitments. The Board places on record its appreciation for the services rendered by him during his tenure as a Director.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri H.K. Chatterjee, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

During the year 4 Board Meetings were convened and held as detailed below.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	Date of Board Meeting			
		25.04.2016	19.07.2016	24.10.2016	23.01.2017
1.	Shri Ram Bhatnagar	✓	✓	✓	✓
2.	Shri Atul Dharap*	✓	✓	✓	NA
3.	Shri H.K. Chatterjee	✓	✓	✓	✓
4.	Shri Vijay Patil*	NA	NA	✓	✓

**Shri Vijay Patil appointed on the Board of Directors of the Company w.e.f. October 24, 2016.*

**Shri Atul Dharap has resigned from the Board of Directors of the Company w.e.f. October 24, 2016.*

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

11. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of interest rate, commodity price, business risk, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

12. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that such accounting policies had been applied consistently and reasonable judgment and estimates have been made that are and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the annual financial statements have been prepared on a going concern basis; and
e. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no conservation of energy and technology absorption. Further, the Company has not made any capital investment in technology absorption or research & development. Foreign exchange earnings and outgo during the year was Nil.

14. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure A"** to this Report.

15. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

17. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments for the period under review, which affects the financial position of the Company.

18. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. There were no complaints filed against any of the employees of the Company under this Act.

19. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board of
RAYMOND WOOLLEN OUTERWEAR LIMITED

	sd/-	sd/-
Date : April 26, 2017	**Vijay Patil**	**R.K. Bhatnagar**
Place : Mumbai	**Director**	**Director**
	DIN: 07173161	**DIN: 02313614**

Annexure - A

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U17120MH2005PLC154066
2.	Registration Date	20/06/2005
3.	Name of the Company	Raymond Woollen Outerwear Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	New Hind House, N M Marg, Ballard Estate, Mumbai- 400 001. Tel: 022 – 22618321 Fax: 022 – 22620052
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 %or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Gray Woollen Fabric	13123	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and Address of the Company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	**Raymond and its Nominees** Plot No 156/H No 2, Village Zadgaon, Ratnagiri-415612	L17117MH1925PLC001208	Holding Company	99.54%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	1931000	1931000	99.54	-	1931000	1931000	99.54	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	-	1931000	1931000	99.54	-	1931000	1931000	99.54	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.									
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	1931000	1931000	99.54	-	1931000	1931000	99.54	-
B. Public Shareholding									
1.	-	-	-	-	-	-	-	-	-

Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	2000	2000	0.10	-	2000	2000	0.10	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	7000	7000	0.36	-	7000	7000	0.36	-
ii) Individual shareholders holding nominal	-	-	-	-	-	-	-	-	-

share capital in excess of Rs 1 lakh									
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	9000	9000	0.46	-	9000	9000	0.46	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1940000	1940000	100	-	1940000	1940000	100	-

B. Shareholding of Promoter-

S. N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Raymond Limited and its nominees	1931000	99.54	-	1931000	99.54	-	-

C. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**There is no change in the Promoters shareholding**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D. **Shareholding Pattern of top ten Shareholders:**
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S.N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no Change in the Shareholding Pattern of the top ten Shareholders			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E. **Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Shri Vijay Patil**				
	At the beginning of the year	7,000	0.36	7,000	0.36
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	**7,000**	**0.36**	**7,000**	**0.36**

V. **INDEBTEDNESS-**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-

Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-----	----	---	---	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RAYMOND WOOLLEN OUTERWEAR LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Raymond Woollen Outerwear Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 25, 2016 and April 24, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with

Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 32.

For Dalal & Shah LLP
FirmRegistrationNumber: 102021W/W100110
Chartered Accountants

sd/-

Vipin R Bansal
Partner
Membership Number 117753

Thane
April 26, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Raymond Woollen Outwear Limited on the standalone financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Raymond Woollen Outwear Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Raymond Woollen Outwear Limited on the standalone financial statements for the year ended March 31, 2017

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-

Vipin R Bansal
Partner
Membership Number 117753

Thane
April 26, 2017

i. The Company did not have any fixed assets during the year ended March 31, 2017. Therefore, the provisions of Clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company.

ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise , value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise or value added tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has not paid/ provided for managerial remuneration during the year. Accordingly the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24 Related party disclosure specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100100
Chartered Accountants

sd/-

Vipin R Banal
Partner
Membership Number 117753

Thane
April 26, 2017

Raymond Woollen Outerwear Limited
Balance Sheet As At 31 March 2017

(All amounts in INR Lakhs, unless otherwise stated)

	Note	As at 31st Mar 2017	As at 31st Mar 2016	As at 1st April 2015
ASSETS				
Non-current Assets				
a) Financial Assets				
Investment	2	0.20	0.20	0.20
b) Non Current Tax asset (Net)	3	7.48	8.81	8.74
Total non-current Assets		**7.68**	**9.01**	**8.94**
Current assets				
a) Financial Assets				
(i) Trade receivables	4	-	10.66	4.64
(ii) Cash and cash equivalents	5	2.73	3.50	109.72
(iii) Other Bank Balances	6	133.02	129.35	51.20
b) Current Tax asset (Net)	7	1.05	-	-
c) Other current assets	8	0.04	0.06	0.46
Total current assets		**136.84**	**143.57**	**166.02**
Total Assets		**144.52**	**152.58**	**174.96**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	194.00	194.00	194.00
Other equity	10	(75.07)	(67.21)	(43.99)
Total equity		**118.93**	**126.79**	**150.01**
Current liabilities				
Financial Liabilities				
(i) Trade Payables	11	5.75	19.99	20.25
(ii) Other financial liabilities	12	0.26	0.25	0.23
Provisions	13	5.86	5.30	4.24
Other current liabilities	14	13.72	0.25	0.23
Total current liabilities		**25.59**	**25.79**	**24.95**
Total equity and liabilities		**144.52**	**152.58**	**174.96**

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-
Vipin R. Bansal
Partner
Membership Number: 117753
Place: Thane
Date: April 26, 2017

For and on behalf of the Board of Directors

sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Thane
Date: April 26, 2017

sd/-
Vijay Patil
Director
DIN: 07173161

Raymond Woollen Outerwear Limited
Statement Of Profit And Loss For the Year Ended 31 March 2017

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Revenue from Operations	15	27.14	324.27
Other Income	16	10.14	13.38
Total Income		**37.28**	**337.65**
Expenses:			
Purchases of Stock-In-Trade	17	26.58	318.21
Employee Benefits Expense	18	16.93	16.30
Other Expenses	19	1.63	26.36
Total Expenses		**45.14**	**360.87**
Loss before tax		**(7.86)**	**(23.22)**
Tax Expense	23	-	-
Loss for the year		**(7.86)**	**(23.22)**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		**(7.86)**	**(23.22)**
Earnings Per Equity Share of Rs. 10/- each:	26		
Weighted average number of Equity Shares outstanding during the year		1,940,000	1,940,000
- Basic & Diluted earnings per share (Rs.)		**(0.41)**	**(1.20)**

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Dalal & Shah
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-
Vipin R. Bansal
Partner
Membership Number: 117753
Place: Thane
Date: April 26, 2017

For and on behalf of the Board of Directors

sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Thane
Date: April 26, 2017

sd/-
Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Cash Flow Statement for the year ended 31st March, 2017

(All amounts in INR Lakhs, unless otherwise stated)

		Note No.	Year ended 31st Mar, 2017		Year ended 31st Mar, 2016	
A.	**Cash Flow arising from Operating Activities:**					
	Loss before tax as per Statement of Profit and loss			(7.86)		(23.22)
	Add / (Deduct):					
	Interest Income	16		(10.14)		(13.38)
	Operating Cash flow before Working Capital Changes			(18.00)		(36.60)
	Change in Operating Asset and Liabilities					
	(Increase) / Decrease in Trade receivables	4	10.66		(6.02)	
	(Increase) / Decrease in other current asset		0.02		0.40	
	Increase / (Decrease) in Trade payables		(14.24)		(0.26)	
	Increase / (Decrease) in other financial liabilities		0.01		0.02	
	Increase / (Decrease) in Provision		0.56		1.06	
	Increase / (Decrease) in other current liabilities		13.47		0.02	
				10.48		(4.78)
	Cash Inflow/(Out flow) from Operations before tax			**(7.52)**		**(41.38)**
	Add/(Less) : Tax refund /(paid)			0.28		(0.07)
	Net Cash Inflow / (Outflow) from Operating Activities (A)			**(7.24)**		**(41.45)**
B.	**Cash Flow arising from Investing Activities :**					
	Interest Received			10.66		14.19
	Deposits with Banks			(4.19)		(78.96)
	Net Cash Inflow / (outflow) from Investing Activities (B)			**6.47**		**(64.77)**
C.	**Cash Flow arising from Financing Activities:**			-		-
	Net Cash Inflow / (Outflow) from Financing Activities (C)			-		-
	Net Increase / (Decrease) in Cash and Cash Equivalents(A+B+C)			(0.77)		(106.22)
	Cash and Cash Equivalents at beginning of the financial year	5		3.50		109.72
	Cash and Cash Equivalents at the end of financial year	5		**2.73**		**3.50**

The accompanying notes form an integral part of these financial statements.

As per our Report of even date

For Dalal & Shah
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-
Vipin R. Bansal
Partner
Membership Number: 117753
Place: Thane

Date: April 26, 2017

For and on behalf of the Board of Directors

sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Thane

sd/-
Vijay Patil
Director
DIN:07173161

Date: April 26, 2017

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Statement of changes in equity

As on 1 April 2015	1,940,000
Changes in equity	-
As at 31 March-2016	1,940,000
Changes in equity	-
As at 31 March-2017	1,940,000

Other equity	Reserve & Surplus		Total other equity	Total
	Capital Reserve	Retained earning		
Balance at 1 April 2015	49.97	(93.96)	(43.99)	(43.99)
Total Comprehensive Income for the year	-	(23.22)	(23.22)	(23.22)
Balance at 31 March 2016	**49.97**	**(117.18)**	**(67.21)**	**(67.21)**

Other equity	Reserve & Surplus		Total other equity	Total
	Capital Reserve	Retained earning		
Balance at 1 April 2016	49.97	(117.18)	(67.21)	(67.21)
Total Comprehensive Income for the year	-	(7.86)	(7.86)	(7.86)
Balance at 31 March 2017	**49.97**	**(125.04)**	**(75.07)**	**(75.07)**

As per our report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

For and on behalf of the Board of Directors

sd/-
Vipin R. Bansal
Partner
Membership Number: 117753
Place: Thane
Date: April 26, 2017

sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Thane
Date: April 26, 2017

sd/-
Vijay Patil
Director
DIN: 07173161

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 2 - Investment

Particulars	As at 31st Mar 2017	As at 31st Mar, 2016	As At 1st April, 2015
Investments in Government Securities - Unquoted - National Saving Certificates (deposited with a Government Department as Security)	0.20	0.20	0.20
Total	**0.20**	**0.20**	**0.20**

Note 3 - Non current Tax Asset (Net)

Particulars	As at 31st Mar 2017	As at 31st Mar, 2016	As At 1st April, 2015
Advance Tax (Net)	7.48	8.81	8.74
Total	**7.48**	**8.81**	**8.74**

Note 4 - Trade Receivables

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Trade Receivables	-	-	-
Receivable from related parties	-	10.66	4.64
Total	**-**	**10.66**	**4.64**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 5 - Cash and Cash Equivalents

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Balance with Banks			
-In Current Accounts	2.73	3.48	1.50
-In Deposit Account	-	-	108.20
Cash on hand	-	0.02	0.02
Total	**2.73**	**3.50**	**109.72**

Note 6 - Other Bank Balances

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Deposit With Banks	126.53	122.34	43.38
Interest receivable on Deposit with Banks	6.49	7.01	7.82
Total	**133.02**	**129.35**	**51.20**

Note 7 - Current Tax Asset (Net)

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Advances Tax (Net)	1.05	-	-
Total	**1.05**	**-**	**-**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 8 - Other Current Assets

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Prepaid Expenses	0.04	0.06	0.08
Advance to Employee	-	-	0.38
Total	**0.04**	**0.06**	**0.46**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 9 -Equity Share Capital

Particulars	As at 31st Mar 2017		As At 31st Mar, 2016		As At 1st April, 2015	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
20,000,000 (March 31, 2016: 20,000,000; April 01,2015: 20,000,000) Equity Shares of Rs.10 each	20,000,000	2,000.00	20,000,000	2,000.00	20,000,000	2,000.00
Issued, Subscribed & Paid up						
1,940,000 (March 31, 2016: 1,940,000; April 01,2015: 1,940,000) Equity Shares of Rs.10/- each	1,940,000	194.00	1,940,000	194.00	1,940,000	194.00
Total		**194.00**		**194.00**		**194.00**

a) Movement in equity share capital

Particulars	As at 31st Mar 2017		As At 31st Mar, 2016		As At 1st April, 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity Shares:						
Balance as at beginning of the year						
Equity Shares of Rs.10/- each fully paid	1,940,000	194.00	1,940,000	194.00	1,940,000	194.00
Add: Shares issued during the year	-	-	-	-	-	-
Balance as at the end of the year	**1,940,000**	**194.00**	**1,940,000**	**194.00**	**1,940,000**	**194.00**

b) Rights Preferences & Restrictions attached to each class of shares:-

Equity Shares:- The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding. However, shares forfeited do not carry any rights as referred above.

c) Shares held by the Holding Company

Particulars	As at 31st Mar 2017	As At 31st Mar, 2016	As At 1st April, 2015
Equity Shares of Re. 10 each held by:			
19,31,000 Shares [31st March, 2016: 19,31,000 and 1st April, 2015: 19,31,000 shares] held by Raymond Limited, the holding company (including Shares jointly held with nominee Shareholders)	1,931,000	1,931,000	1,931,000

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

Particulars	As at 31st Mar 2017		As At 31st Mar, 2016		As At 1st April, 2015	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Equity Shares :						
Raymond Limited, the holding company	1,931,000	99.54%	1,931,000	99.54%	1,931,000	99.54%

The Company has authorised preference shares capital of Rs. 4000 lakhs comprising of 40,000,000 shares having face value of Rs.10/- each (March 31 2016: 40,000,000; April 01 2015: 40,000,000.

Raymond Woollen Outerwear Limited

Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 10 - Reserves & Surplus

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
a. Capital Reserves	49.97	49.97	49.97
b. Retained earnings			
Balance as at the beginning of year	(117.18)	(93.96)	(99.86)
Add: Total Comprehensive Income for the current year	(7.86)	(23.22)	5.90
Balance as at the end of year	**(125.04)**	**(117.18)**	**(93.96)**
Total	**(75.07)**	**(67.21)**	**(43.99)**

Note 11 - Trade Payables

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Trade Payables	5.75	19.99	20.25
Total	**5.75**	**19.99**	**20.25**

There were no delays in payment to micro and medium scale enterprise as defined in Micro, Small and Medium Enterprises Development Act,2006 during the year as well as in previous two years and there are no dues outstanding as on balance sheet date.

Note 12 - Other Financial Liabilities

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Salaries and Wages Payable	0.26	0.25	0.23
Total	**0.26**	**0.25**	**0.23**

Note 13 -Provisions

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Provision for employee benefits (Refer Note 21)	5.86	5.30	4.24
Total	**5.86**	**5.30**	**4.24**

Note 14 - Other Current Liabilities

Particulars	As At 31st Mar, 2017	As at 31st Mar, 2016	As At 1st April, 2015
Advance against sales from related parties	13.44	-	-
Statutory Dues	0.18	0.21	0.18
Other payable	0.10	0.04	0.05
Total	**13.72**	**0.25**	**0.23**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 15 - Revenue from Operations

Particulars	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Sale of products	27.14	324.27
Total	**27.14**	**324.27**

Note 16 - Other Income

Particulars	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Interest Income	10.14	13.38
Total	**10.14**	**13.38**

Note 17 - Purchases of Stock-In-Trade

Particulars	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Purchases of Stock in trade	26.58	318.21
Total	**26.58**	**318.21**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note18- Employee Benefits Expenses

Particulars	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Salaries, Wages, Bonus etc.	16.14	15.55
Contributions to provident and other funds	0.68	0.65
Staff welfare expenses	0.11	0.10
Total	**16.93**	**16.30**

Note 19 - Other Expenses

Particulars	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Insurance	0.44	0.56
Vendor Settlement*	-	22.00
Travelling & Conveyance	-	2.14
Legal and Professional Expenses	1.12	1.48
Repairs & Maintenance Others	-	0.03
Rates and taxes	0.02	0.02
Miscellaneous Expenses	0.05	0.13
Total	**1.63**	**26.36**

* The Company has during the previous year entered into a onetime settlement with one of its vendors in respect of its claim against the Company.

Note 19 (a) - Details of Payment to Auditors (Included in Legal & Professional Expenses)

	Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
Payment to auditors		
As auditor (Statutory audit fees including service tax)	0.58	0.57
Total	**0.58**	**0.57**

Note 20 - Contingent Liabilities and Commitments (to the extent not provided for) - Rs. Nil (March 31 2016: Rs.Nil; April 01,2015: Rs Nil)

(All amounts in INR Lakhs, unless otherwise stated)

21 Employee benefit obligations

a The company has recognised in the statement of profit and loss Rs 0.68 lakhs (Previous year Rs.0.65 lakhs) as contribution to Provident fund.

The Company has only two employees as at the close of the current year, hence the gratuity liability has been calculated on undiscounted basis instead of an Actuarial Valuation.

b The disclosures in respect of Defined Benefit Gratuity Plan.

Gratuity

Particulars	**Year ended 31st Mar, 2017**	**Year ended 31st Mar, 2016**
Change in present value of obligation		
(a) Present value of obligation at beginning of the year	4.02	3.46
(b) Current Service Cost	0.44	0.56
Present value of obligation at end of the year	**4.46**	**4.02**
Reconciliation of Present Value of the obligation		
(a) Present value of obligation at end of the year	4.46	4.02
(Assets) /Liabilities recognised in the Balance Sheet	**4.46**	**4.02**
Gratuity cost recognised during the year		
Current Service cost	0.44	0.56
Net Gratuity Costs recognised in statement of profit and loss	**0.44**	**0.56**

Compensated Absences

The liability for compensated absences, determined as the undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by employees as at the year end is Rs.1.40 lakhs. (Previous year Rs.1.28 lakhs)

(All amounts in INR Lakhs, unless otherwise stated)

22 Related Party Transactions

a. Parent Entity

Name	Type
Raymond Limited	Immediate and Ultimate parent entity

b. Transactions carried out with related parties :

Particulars	Amount	
	2016-17	2015-16
Sale of products	27.14	324.27
Reimbursement of Expenses (net)	0.08	0.44

c. Outstanding balances as at year end :

Particulars	Amount		
	2016-17	2015-16	2014-15
Advance against Sales	13.44	-	-
Trade Receivables	-	10.66	4.64

23 Deferred Tax

In view of the consistent losses for two years and reduction of business activities in the current year, the Company may not have future taxable profits. Accordingly, deferred tax assets has not been recognized on unabsorbed losses and depreciation under the Income Tax Act, 1961.

Tax losses :

	31-Mar-17	31-Mar-16
Unabsorbed deprecation and tax losses for which no deferred tax asset has been recognised	234.58	227.28
Potential tax benefit @ 30.90%	72.49	70.23
Unabsorbed short term capital loss for which no deferred tax asset has been recognised	32.14	32.14
Potential tax benefit @ 30.90%	9.93	9.93

24 Segment Information

The Company's business activity falls within a single primary business segment of trading in Grey Woollen Fabric. The business is being carried on only in India with a single customer - Raymond Limited (Holding Company).

25 Financial Risk Management

a) Credit risk
Company has fully invested in Bank deposit thus Company does not foresee any credit risk.

b) Liquidity Risk
Company has no borrowings thus Company does not foresee and liquidity risk.

C) Market Risk
Company has no foreign currency exposure and does not have hedge position in currency market, thus Company does foresee any market risk.

26 Earnings per share

Particulars	31st March-2017	31st March-2016
Basic and Diluted Earing Per Share		
Loss attributable to the equity share holders	(7.86)	(23.22)
Weighted average number of Equity Shares outstanding during the year	1,940,000	1,940,000
Basic and Diluted Earing Per Share	(0.41)	(1.20)

Raymond Woollen Outerwear Limited

Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

27 Fair value measurement

Particulars	31st March 2017			31st March 2016			1st April 2015		
	FVPL	FVOIC	Amortised cost	FVPL	FVOIC	Amortised cost	FVPL	FVOIC	Amortised cost
Financial Assets									
Investment									
Unquoted - Government Securities	-	-	0.20	-	-	0.20	-	-	0.20
Trade receivables	-	-	-	-	-	10.66	-	-	4.64
Cash and Cash equivalents	-	-	2.73	-	-	3.50	-	-	109.72
Other financial assets			133.02			129.35			51.20
Total Financial Asset	**-**	**-**	**135.95**	**-**	**-**	**143.71**	**-**	**-**	**165.76**
Financial Liabilities									
Trade Payables	-	-	19.19	-	-	19.99	-	-	20.25
Other financial liabilities	-	-	0.26	-	-	0.25	-	-	0.23
Total Financial Liabilities	**-**	**-**	**19.45**	**-**	**-**	**20.24**	**-**	**-**	**20.48**

Asset and liabilities which were measured at amortised cost at 31 March 17	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Other Financial asset					
Deposit with Banks	6	-	-	133.02	133.02
Total Financial Asset		-	-	133.22	133.22

Asset and liabilities which were measured at amortised cost at 31 March 16	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Other Financial asset					
Deposit with Banks	6	-	-	129.35	129.35
Total Financial Asset		-	-	129.55	129.55

Asset and liabilities which were measured at amortised cost at April 1 2015	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Govt. Securities	2	-	-	0.20	0.20
Other Financial asset					
Deposit with Banks	6	-	-	51.20	51.20
Total Financial Asset		-	-	51.40	51.40

The carrying amounts of trade receivables, trade payables , other financial liabilities and cash equivalents are considered to be same as their fair values, due to their short term nature.

(All amounts in INR Lakhs, unless otherwise stated)

28 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. There are no resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP.

Reconciliation of Equity as at April 1, 2015

	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS			
Non-current assets			
Financial Assets			
Investments	0.20	-	0.20
Long - term loans and advances	0.00	-	0.00
Current tax asset	8.74	-	8.74
Current assets			
Trade receivables	4.64	-	4.64
Cash and cash equivalents	109.72	-	109.72
Short - term loans and advances	-	-	-
Other financial assets	51.20	-	51.20
Other current assets	0.46	-	0.46
TOTAL	**174.96**	**-**	**174.96**
EQUITY AND LIABILITIES			
Equity		-	
Equity Share capital	194.00	-	194.00
Other Equity	(43.99)	-	(43.99)
Current liabilities			
Trade payables	20.25	-	20.25
Other financial liabilities	0.23	-	0.23
Other current liabilities	0.23	-	0.23
Provisions	4.24	-	4.24
TOTAL	**174.96**	**-**	**174.96**

Reconciliation of Equity as at March 31, 2016

	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS			
Non-current assets			
Financial Assets			
Investments	0.20	-	0.20
Long - term loans and advances	-	-	
Other financial assets		-	
Non Current Tax Assets	8.81		8.81
Current assets			
Financial Assets			
Trade receivables	10.66	-	10.66
Cash and cash equivalents	3.50	-	3.50
Short - term loans and advances	-	-	
Other financial assets	129.35	-	129.35
Current Tax Assets	-		-
Other current assets	0.06	-	0.06
TOTAL	**152.58**	**-**	**152.58**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	194.00	-	194.00
Other Equity	(67.21)	-	(67.21)
LIABILITIES			
Current liabilities			
Financial Liabilities			
Trade payables	19.99	-	19.99
Other financial liabilities	0.25	-	0.25
Other current liabilities	0.25	-	0.25
Provisions	5.30	-	5.30
TOTAL	**152.58**	**-**	**152.58**

(All amounts in INR Lakhs, unless otherwise stated)

Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations	324.27	-	324.27
Other Income	13.38	-	13.38
Total	**337.65**	**-**	**337.65**
Expenses			
Cost of materials consumed		-	
Purchases of Stock-in-Trade	318.21	-	318.21
Employee benefits expense	16.30	-	16.30
Other expenses	26.36	-	26.36
Total	**360.87**	**-**	**360.87**
Profit before exceptional items and tax	**(23.22)**	**-**	**(23.22)**
Exceptional Items	-	-	
Loss before tax	**(23.22)**	**-**	**(23.22)**
Tax expense	-	-	-
Loss for the year (A)	**(23.22)**	**-**	**(23.22)**
Other Comprehensive Income	-	-	-
Other Comprehensive Income for the year (B)	-	-	-
Total Comprehensive Income for the year (A+B)	**(23.22)**	**-**	**(23.22)**

There are no Ind AS adjustment apart from regrouping.

Adjustments to Statement of Cash flows

There were no differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP except for regrouping as per Ind AS.

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

29 Capital Management
a) Risk Management
The Company has no debts thus Company do not foresee any capital risk.

b) Dividend
The Company has not paid dividend thus company has no dividend liability to be paid.

30 There are no critical estimates involved in the preparation of financial statements.

31 Events occurring after the reporting period
There are no events which have occurred after the reporting period having any material impact on the Financial Statement.

32 The Company has not deposited any cash having denomination of Rs.500 and Rs.1000 during 8th November to 30st December 2016.

(Amount in Rs.)

Particulars	SBN	Other Denomination Notes	Total
Cash in hand as on 8/11/2016	-	2,389	2,389
(+) Permitted receipts	-		
(-) Permitted payments	-		
(-) Amount deposited in Banks	-		
Closing balance as on 30/12/2016	-		

Specified Bank Notes is defined as bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respect to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing cash in hand as on 30.12.2016' is understood to be applicable in case of SBNs only.

33 The Company's business activity has significantly reduced from the previous year due to lack of orders.The management of the Company is of the view that business will be revived and further the company have adequate funds to meet its future requirements. Hence the management considered it appropriate to prepare the financial statement of the Company on going concern basis.

34 The Financial Statements were authorised for issue by the directors on 26th April,2017.

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RAYMOND LUXURY COTTONS LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI S.K. GUPTA, Chairman
	:	SHRI R.A. PRABHUDESAI, Independent Director
	:	SHRI R. NARAYANAN, Independent Director
	:	SHRI BIBEK AGARWALA
	:	SHRI SANJAY BAHL
	:	SMT. GEETHAA GHANECKAR
KEY MANAGERIAL PERSONNEL	:	SHRI S.K.TYAGI, Manager SHRI BIBEKANADA PRADHAN, Chief Financial Officer SHRI RAMEEZ SHAIKH, Company Secretary
STATUTORY AUDITORS	:	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, N.M. MARG, BALLARD ESTATE, MUMBAI - 400 001 MAHARASHTRA

RAYMOND LUXURY COTTONS LIMITED

CIN: U17120MH2004PLC149276

Registered Office: New Hind House, N. M. Marg, Ballard Estate, Fort, Mumbai – 400001

BOARD REPORT

To,

THE MEMBERS

Your Directors take pleasure in presenting their Thirteenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2017.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

The net turnover of the Company was at ₹500.07 crore (Previous Year: ₹467.14 crore). Profit after tax was ₹14.38 crore (Previous Year: ₹13.47 crore).

2. DIVIDEND

In order to conserve the resources of the Company, your Directors do not recommend any dividend for the Financial Year 2016-17.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Company places on record its appreciation for the services rendered by M/s. Dalal & Shah LLP, Chartered Accountants as Statutory Auditors of the Company.

Further, Subject to approval of member in the ensuing Annual General Meeting, the Board of Directors of the Company has recommended the Appointment of M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), as statutory auditors of the Company in terms of Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

Cost Auditors

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records relating to Textile Division every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed Messrs Sevekari, Khare & Associates., Cost Accountants, as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2017-18 at a remuneration of ₹ 60,000./- plus service tax as applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed Messrs. Ashish Bhatt & Associate, a firm of Company Secretaries in Practice (C.P.No.2956) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **"Annexure A"** and forms an integral part of this Report.

There has been no qualification(s), reservation(s) or adverse remark(s) or disclaimer(s) made in the by the auditors in his report and by the Company Secretary in practice in his secretarial audit report.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s. Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2017 was ₹ 168.68 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold any shares or the convertible instruments of the Company.

7. PUBLIC DEPOSITS

During the under review, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

9. DIRECTORS AND THEIR MEETINGS

A. Directors

The Board of Directors had appointed Shri Sanjay Bahl as an Additional Director of the Company with effect from October 24, 2016. In terms of Section 161 of the Companies Act, 2013, Shri Sanjay Bahl holds office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

During the year, Shri S. L. Pokharna has resigned from the Board of Director with effect from October 24, 2016 due to other professional commitments. The Board placed on record its appreciation for the services rendered by Shri S.L. Pokharna during his tenure as a Director of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association Smt. Geethaa Ghaneckar, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer herself for re-appointment.

During the year, 5 Board Meetings were convened and held as detailed below.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	Date of Board Meeting				
		25.04.2016	01.06.2016	19.07.2016	24.10.2016	23.01.2017
1	Shri S.L. Pokharna	✓	✓	✓	-	NA
2	Shri S.K. Gupta	✓	✓	✓	✓	✓
3	Shri R.A. Prabhudesai	✓	-	✓	✓	✓
4	Shri R. Narayanan	✓	-	✓	✓	✓
5	Smt. Geethaa Ghaneckar	✓	✓	✓	✓	✓
6	Shri Bibek Agarwala	✓	✓	✓	✓	✓
7	Shri Sanjay Bahl*	NA	NA	NA	NA	✓

** Shri S.L. Pokharna resigned from the Board of Directors of the Company w.e.f. October 24, 2016.*

** Shri Sanjay Bahl was appointed on the Board of Directors of the Company w.e.f. October 24, 2016.*

B. Declaration by an Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

C. Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

D. Key Managerial Personnel (KMP's)

During the year Shri S.K. Gupta has resigned as Manager of the Company w.e.f. January 3, 2017 and Shri S.K. Tyagi was appointed as Manager of the Company w.e.f. January 23, 2017. The Board places on record its appreciation for the services rendered by Shri S.K. Gupta as Manager of the Company.

Further, Shri Amit Jangid, has resigned as Company Secretary w.e.f. June 1, 2016. The Board places on record its appreciation for the services rendered by him as Company Secretary of the Company. Shri Rameez Shaikh was appointed as Company Secretary of the Company w.e.f. July 19, 2016.

Currently your company having the following KMP's:

Sr. No.	Name of the Person	Designation
1	Shri S.K. Tyagi	Manager
2	Shri Bibekananda Pradhan	Chief Financial Officer
3	Shri Rameez Shaikh	Company Secretary

10. COMMITTEE OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

A. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee Composition as under:

1. Shri R.A. Prabhudesai : Independent Director, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri S.K. Gupta : Non-Executive Director, Member

The terms of reference of the Audit Committee are determined by the Board and their relevance reviewed from time to time.

The Audit Committee Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF MEETING			
		25.04.2016	19.07.2016	24.10.2016	23.01.2017
1	Shri S.L. Pokharna	✓	✓	✓	NA
2	Shri R.A. Prabhudesai	✓	✓	✓	✓
3	Shri R. Narayanan	✓	✓	✓	✓
4	Shri S.K. Gupta	NA	NA	NA	✓

B. <u>Nomination and Remuneration Committee</u>

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee and framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Board has clearly defined terms of reference for Nomination and Remuneration Committee, which are as follows:

- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Company Secretary.

The Nomination and Remuneration Committee Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF MEETING	
		24.10.2016	20.01.2017
1	Shri S.L. Pokharna	✓	NA
2	Shri R.A. Prabhudesai	✓	✓
3	Shri R. Narayanan	✓	✓
4	Shri S.K. Gupta	NA	✓

C. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee and spent an amount of ₹ 5 lacs in pursuance of its Corporate Social Responsibility. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as **"Annexure B"**. The policy displayed in the website of the Company's website (www.raymond.in/grp_luxurycottons.asp).

The Corporate Social Responsibility (CSR) Committee Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF MEETING
		20.01.2017
1	Shri Bibek Agarwala	✓
2	Shri S.K.Gupta	✓
3	Shri R. Narayanan	✓

D. Committee of the Directors

The Board of Directors of the Company constituted the Committee of Directors on January 19, 2016. The composition of the Committee of Directors is as under:

1.	Shri Bibek Agarawala	:	Non –Executive Director
2.	Shri S.K.Gupta	:	Non –Executive Director
3.	Shri R. Narayanan	:	Independent Director

The Board has clearly defined terms of reference for the Committee of Directors, which are as follows:

1. approval of transfer of shares and issue of duplicate/split/consolidation /sub-division of share certificates;
2. opening/modification of operation and closing of Bank Accounts;
3. to change the signatories for availment of various facility from Banks/Financial Institution;
4. to grant authority to execute and sign Foreign Exchange Contracts and Derivative Transactions;
5. grant of Special/General Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions;
6. to approve Lease / Leave & License agreement for opening Retail outlets / EBO etc;
7. to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

11. VIGIL MEHCANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism/Whistle Blower policy to report genuine concerns to be disclosed. The policy displayed in the website of the Company's website (www.raymond.in/grp_luxurycottons.asp).

12. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2016-2017 were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Thus, disclosure in form AOC-2 is not required.

13. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the directors have prepared the annual accounts on a going concern basis; and
e. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on conversation of Energy, Technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure C"** to this report.

16. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure D**".

17. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

18. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

19. AWARDS AND ACHIEVEMENTS

During the year under review your Company has bagged following awards, namely;

- Award for Excellence in Cost Management awarded by the institute of Cost Accountants of India.
- "Vasundhra Award" from Maharashtra Pollution Control Board;
- 6th Annual Green HR Award 2016 for Employee Engagement.

20. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

21. ACKNOWLEDGEMENT

The Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks for their continued support and co-operation.

For and on behalf of the Board
For **Raymond Luxury Cottons Limited**

sd/- sd/-

S.K. Gupta **Sanjay Bahl**
Director **Director**
DIN: 00323759 **DIN: 00332153**

Date : April 25, 2017
Place : Mumbai

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Raymond Luxury Cottons Limited,
New Hind House,
Narottam Morarji Marg,
Ballard Estate, Fort, Mumbai-400001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Raymond Luxury Cottons Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner which provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under. (Not applicable to the Company during audit period);

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings (Not applicable to the Company during audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Not applicable to the Company during audit period)

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not applicable to the Company during audit period);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during audit period);

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Securities of the Company are not listed on any Stock Exchange hence no comment is made about Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 24, 2017

Annexure I

List of applicable laws to the Company

Under the Major Group and Head

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue laws of respective States;
8. Labour Welfare Act of respective States;
9. Trade Marks Act 1999 & Copy Right Act 1957;
10. The Legal Metrology Act, 2009.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 24, 2017

Annexure B

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

Sr. No.	Particulars	Remarks
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	The CSR Policy was approved by the Board of Directors and has been uploaded on the Company's website. A gist of the program that the Company can undertake under the CSR policy is mentioned below. The web link is http://www.raymond.in/grp_luxurycottons.asp The Company had proposed to undertake activities with the Sahachari Foundation which has been serving the economically weaker section of the society with most of its programs aimed at improving the lives of the women in such communities. The Sahachari Team consist of women volunteers who channelize their collective strengths to create an inclusive society in the areas of education, healthcare, community development, etc. The activities and funding are monitored internally by the Company.
2.	The composition of the CSR Committee.	**i.** Shri R. Narayanan, Chairman **ii.** Shri Bibek Agarwala, Member **iii.** Shri S.K. Gupta, Member
3.	Average net profit of the Company for last three financial years.	₹ 1655.20 lac.
4.	Prescribed CSR expenditure (2% of the amount as in item 3 above).	₹ 34 lac.
5.	Details of CSR spent during the financial year:	
	i. total amount to be spent for the financial year:	₹ 34 lac.
	ii. amount unspent, if any	₹ 29 lac.
	iii. manner in which the amount spent during the financial year:	In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules 2014, your Company has collaborated with other companies for undertaking CSR projects. . During the year under review the CSR Committee identified a project with Sahachari Foundation, a Registered Charitable Trust. The aforesaid CSR Contribution by the Company is distributed by the Foundation on the following activities;

		• Educational sponsorship for visually impaired students • Operating expenses for the Library and Information Resource • Skill development training in Information Technology for visually impaired students

The details of project undertaken during the year under review is as under:

(₹ in Lac)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or Activity Identified.	Sector in Which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	CSR proposal of Sahachari Foundation for Victoria Memorial School for the Blind.	Education	Mumbai	5.00	5.00	5.00	Direct
	TOTAL			5.00	5.00	5.00	

6. In case the Company has failed to spend the two percent, of the average net profit of the latest three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: The overall CSR Expenditure has increased from ₹ 28 Lac during the financial year 2015-16 to ₹ 34 Lac during the financial year 2016-17. During the year under review, your Company has committed to undertake CSR for the Sahachari Foundation for Victoria Memorial School for the Blind. The details of various programmes and projects has been evaluated by the Company but Company has not find any other suitable projects, hence remaining amount has not been spent by the Company.

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Raymond Luxury Cotton Limited

sd/- sd/-

Place : Mumbai **S.K. Gupta** **R.Narayanan**

Date : April 25, 2017 **Director** **Chairman of CSR Committee**

DIN: 00323759 **DIN: 00631703**

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on March 20, 2015)

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- Improving the quality of life in rural areas;
- Eradicating hunger, poverty and malnutrition;
- Promoting healthcare including preventive healthcare;
- Employment enhancing vocational Skills;
- Promotion of education including investment in technology in schools;
- Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- Promoting sports including rural and Olympic sports;
- Contribution to funds for promoting technology;
- Investing in various rural development projects;
- Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE AND OUTGO

(Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014)

(A)	**Conservation of energy-**	
(i)	the steps taken to conserve energy;	• Insulation of condensate lines and steam headers as per the audit report from External agency.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	• Use of day light by using transparent FRP sheet in roof of new godowns and solar panel for administration building
(iii)	the capital investment on energy conservation equipment's;	• 1. Replaced Conventional lights 36 watt with 15 watt LED lights, 400 watt Mercury lights with 150 watt LED lights - total 700 lights. • 2. 11 KW VFD's are used to maintain the required flow in Air Handling Units by reducing the frequency of the blower motor. • 3. Fogging unit with low power consumption is used for maintain the humidity in weft winding area. • 4. Compressed air pressure set point reduced from 7 bar to 6.2 bar helped in reducing the power consumption in compressor
(B)	**Technology absorption-**	
(i)	the efforts made towards technology absorption;	• Addition of machines New Loris Bellini dyeing machine with low liquor dyeing technology with air pad mode has resulted in reducing power consumption by 15% , utility consumption by 60% Water consumption by 70 %
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	• Due to above identified initiatives in technology absorption, following benefits are derived: o Increase in production capacity o Reduction in utility requirement. o Savings in dyes and chemicals
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
(a)	the details of technology imported;	
(b)	the year of import;	
(c)	whether the technology been fully absorbed;	
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development	
(C)	**Foreign exchange earnings and Outgo –**	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	• During the year Foreign Exchange earnings was ₹ 2457.14 Lac (Previous Year: ₹ 1788.48 Lac). The Foreign Exchange outgo during the year was ₹ 7940.85 Lac (Previous Year: ₹ 7399.71 Lac).

FORM NO. MGT 9 **Annexure D**

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	**U17120MH2004PLC149276**
2.	Registration Date	**27th October, 2004**
3.	Name of the Company	**Raymond Luxury Cottons Limited**
4.	Category/Sub-category of the Company	**Public Limited Company /** **Indian Non-Government Company**
5.	Address of the Registered office & contact details	**New Hind House, N.M. Marg, Ballard Estate, Fort, Mumbai – 400 001.** **Contact No. 022 6152 7000**
6.	Whether listed company	~~Yes~~ / **No**
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**NA**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cotton fabric	13121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ associate	% of shares Held	Applicable section
1	Raymond Limited Plot No. 156/H. No.2, Village Zadgaon, Ratnagiri 415 612	L17117MH1925PLC001208	Holding Company	75.69%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on April 1, 2016]				No. of Shares held at the end of the year[As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.		127680000	127680000	75.69		127680000	127680000	75.69	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-		127680000	127680000	75.69		127680000	127680000	75.69	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-

d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	127680000	127680000	75.69	-	127680000	127680000	75.69	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-

Capital Funds									
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	41000000	41000000	24.31	-	41000000	41000000	24.31	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-

Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	**41000000**	**41000000**	**24.31**	**-**	**41000000**	**41000000**	**24.31**	**-**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	168680000	168680000	100	-	168680000	168680000	100	

ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	**Raymond Limited and its nominees**	127680000	75.69	NIL	127680000	75.69	NIL	-
	Total	**127680000**	**75.69**	**NIL**	**127680000**	**75.69**	**NIL**	**-**

iii) Change In Promoters' Shareholding

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Raymond Limited	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the	-	-	-	-

	year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year	-	-	-	-

iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S.N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Cotonifico Honegger SpA**				
	At the beginning of the year	**41000000**	**24.31%**	**41000000**	**24.31%**
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	**41000000**	**24.31%**	**41000000**	**24.31%**

v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

SN.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**None of the Directors and KMP's hold shares in the Company**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

vi) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lacs)

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	12409.67	--	--	12409.67
ii) Interest due but not paid	0.00	--	--	0.00
iii) Interest accrued but not due	28.96	--	--	28.96
Total (i+ii+iii)	**12438.63**	--	--	**12438.63**
Change in Indebtedness during the financial year				
* Addition	6087.91	--	--	6087.91
* Reduction	1174.54	--	--	1174.54
Net Change	**4913.37**	--	--	**4913.37**
Indebtedness at the end of the financial year				
i) Principal Amount	17323.03	--	--	17323.03
ii) Interest due but not paid	0.00	--	--	0.00
iii) Interest accrued but not due	44.91	--	--	44.91
Total (i+ii+iii)	**17367.95**	--	--	**17367.95**

vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	**Particulars of Remuneration**	**Name of ~~MD/WTD~~/ Manager**		**Total Amount**
		Shri S.K. Gupta* (Manager)	Shri S.K. Tyagi* (Manager)	-
1	Gross salary		**18,21,450**	**18,21,450**
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		18,21,450	18,21,450
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-

4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total (A)	**-**	**18,21,450**	**18,21,450**
	Ceiling as per the Act	-	-	-

**Shri S.K.Gupta has resigned as Manager w.e.f. January 5, 2017.*

**Shri S.K. Tyagi was appointed as manager w.e.f. January 23, 2017.*

B. Remuneration to other Directors

SN.	**Particulars of Remuneration**	**Name of Directors**		**Total Amount**
1	Independent Directors	**Shri R.A. Prabhudesai**	**Shri R. Narayanan**	-
	Fee for attending board committee meetings	2,00,000	2,00,000	
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	**2,00,000**	**2,00,000**	**4,00,000**
2	Other Non-Executive Directors*		-	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	**2,00,000**	**2,00,000**	**4,00,000**
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

**Other Non – Executive Directors of the company did not receive any remuneration for the FY 2016-17.*

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

SN	**Particulars of Remuneration**	**Key Managerial Personnel (Amount in ₹)**			
		CS		**CFO**	**Total**
1	Gross salary	**Shri Amit S. Jangid***	**Shri Rameez Shaikh***	**Shri Bibekananda Pradhan**	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	29,92,097	**29,92,097**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	**-**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-

	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total			**29,92,097**	**29,92,097**

**Shri Amit S. Jangid has resigned as Company Secretary w.e.f. June 1, 2016.*
**Shri Rameez Shaikh was appointed as Company Secretary w.e.f. July 19, 2016.*

viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment/ Compounding fees imposed**	**Authority [RD / NCLT/ COURT]**	**Appeal made, if any (give Details)**
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RAYMOND LUXURY COTTONS LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of Raymond Luxury Cottons Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 25, 2016 and April 24, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its Ind AS financial statements – Refer Note 33 and 42;

ii. The Company has made provision as at March 31, 2017, as required under the applicable accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 10.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 25, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Raymond Luxury Cottons Limited on the Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Raymond Luxury Cottons Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 25, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Raymond Luxury Cottons Limited on the Ind AS financial statements for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2 on fixed assets to the Ind AS financial statements, other than for self-constructed buildings on leasehold land, are held in the name of the Company.

ii. The physical verification of inventory including stocks with certain third parties have been conducted at reasonable intervals by the Management during the year. Further in respect of inventory lying with third parties, these have also been confirmed by them. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. The Company has not issued any debenture during the year.

ix. In our opinion, and according to the information and explanations given to us, the term loans have been applied, for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has not paid or provided for managerial remuneration which requires approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 25, 2017

RAYMOND LUXURY COTTONS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2017

(Rs. in Lakhs)

		Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
I	**ASSETS**				
1	**Non-current Assets**				
	a) Property, Plant and Equipment	2	22,838.19	19,392.59	14,067.52
	b) Capital work-in-progress		9,601.78	4,179.65	1,894.54
	c) Intangible assets	3	3.39	3.10	4.62
	d) Financial Assets				
	(i) Loans	4a	-	-	1.50
	(ii) Others financial assets	4b	41.97	51.70	28.26
	e) Assets for Current Tax (Net)		93.12	175.34	209.54
	f) Other non-current assets	6	3,749.92	1,691.19	1,761.03
2	**Current assets**				
	a) Inventories	7	6,885.06	5,275.87	4,930.34
	b) Financial Assets				
	(i) Investments	8	951.27	1,245.13	-
	(ii) Trade receivables	9	11,127.25	8,678.36	7,749.79
	(iii) Cash and cash equivalents	10	140.59	384.15	2.19
	(iv) Loans	11	1.16	3.09	0.17
	(v) Others financial asset	12	28.23	7.92	10.25
	d) Other current assets	13	1,471.97	857.27	739.52
	TOTAL ASSETS		**56,933.89**	**41,945.36**	**31,399.28**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a) Equity share capital	14	16,868.00	16,868.00	10,700.00
	b) Other equity				
	(i) Retained earnings		8,159.05	6,740.03	5,490.90
2	**Non-current liabilities**				
	a) Financial Liabilities				
	(i) Borrowings	15	13,112.11	10,170.27	5,271.00
	(ii) Other financial liabilities	16	254.71	-	-
	b) Deferred tax liabilities (Net)	5	140.54	171.96	274.07
	c) Other non - current liabilities	17	2,192.98	1,887.46	1,173.81
3	**Current liabilities**				
	a) Financial Liabilities				
	(i) Borrowings	18	1,654.12	904.15	3,843.35
	(ii) Trade payables	19	6,903.23	2,585.22	3,146.47
	(iii) Other financial liabilities	20	6,928.46	1,964.17	941.86
	b) Provisions	21	291.14	227.59	181.46
	c) Other current liabilities	22	429.55	426.51	376.35
	TOTAL LIABILITIES		**56,933.89**	**41,945.36**	**31,399.28**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our Report of even date

For DALAL & SHAH LLP
Firm Registration No. 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai : April 25, 2017

For and on Behalf of Board of Directors of
Raymond Luxury Cottons Limited

sd/-

Surya Kant Gupta
Director
DIN: 00323759

sd/-

Bibek Agarwala
Director
DIN: 07267564

sd/-

Bibekananda Pradhan
Chief Financial Officer
Mumbai : April 25, 2017

sd/-

Rameez Shaikh
Company Secretary

RAYMOND LUXURY COTTONS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(Rs. in Lakhs)

		Note	Year ended 31st March 2017	Year ended 31st March 2016
I	**INCOME**			
	Revenue from Operations	23	50,007.08	46,713.54
	Other Income	24	658.70	683.20
	Total Income		**50,665.78**	**47,396.74**
II	**EXPENSES**			
	Cost of materials consumed	25	25,965.28	24,283.93
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	26	(1,013.13)	(31.21)
	Manufacturing and Operating Costs	27	15,114.42	13,748.02
	Employee benefits expense	28	3,518.46	3,125.77
	Finance costs	29	804.50	859.91
	Depreciation and amortization expense	30	2,323.73	1,964.72
	Other expenses	31	2,104.10	1,910.13
	Total expenses		**48,817.36**	**45,861.27**
III	**Profit before exceptional items and tax**		1,848.42	1,535.47
IV	**Profit before tax**		1,848.42	1,535.47
V	**Tax expense**	5		
	Current tax		394.82	291.79
	Tax Pertaining to earlier years		37.23	-
	MAT Credit availed		(394.82)	(291.79)
	Deferred tax charge		373.40	188.13
VI	**Profit for the period (IV - V)**		1,437.79	1,347.34
VII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	37	(28.72)	4.49
	(ii) Income tax on (i) above		9.95	(1.55)
	Other Comprehensive Income for the year (VII)		(18.77)	2.94
VIII	**Total Comprehensive Income for the year (VI + VII)**		1,419.02	1,350.28
IX	**Earnings per equity share of Rs. 10 each (in Rs.):**			
	Basic	41	0.85	1.03
	Diluted		0.85	1.03

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our Report of even date

For DALAL & SHAH LLP
Firm Registration No. 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai : April 25, 2017

For and on Behalf of Board of Directors of
Raymond Luxury Cottons Limited

sd/-

Surya Kant Gupta
Director
DIN: 00323759

sd/-

Bibek Agarwala
Director
DIN: 07267564

sd/-

Bibekananda Pradhan
Chief Financial Officer

sd/-

Rameez Shaikh
Company Secretary

Mumbai : April 25, 2017

RAYMOND LUXURY COTTONS LIMITED

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2017

(Rs. in Lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	1,848.42	1,535.47
Adjustments for:		
Depreciation and amortisation expenses	2,323.73	1,964.72
Loss on sale of fixed assets	37.44	13.02
Interest income	(73.11)	(6.66)
Dividend income	-	-
Provision for VAT receivable		17.75
Unrealised exchange loss	108.29	2.60
Net gain on sale of investments	(58.17)	(45.13)
Finance Costs	804.50	859.91
Operating profit before working capital changes	4,991.10	4,341.67
Adjustments for:		
Decrease in Trade and Other Receivables	(3,576.19)	(2,008.41)
Increase in Inventories	(1,609.19)	(345.53)
Increase in Liabilities and Provision	5,038.98	521.17
Cash generated from operations	4,908.26	2,508.90
Taxes paid (net of refunds)	(477.04)	(325.99)
Net cash generated from operating activities - [A]	4,431.22	2,182.91
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment/ intangible assets	(9,235.48)	(8,565.88)
Sale proceeds of property, plant and equipment	3.24	37.12
Purchase of current investments	(8,690.00)	(9,576.73)
Sale proceeds of current investments	9,034.64	8,376.73
Interest received	50.20	8.96
Net cash used in investing activities - [B]	(8,837.40)	(9,719.80)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital	-	6,168.00
Term Loan repaid	(1,277.06)	(582.06)
Acceptance and local bills discounted	812.46	(1,725.47)
Working Capital Loans Repaid (Net)	(62.49)	(1,213.73)
Term Loan Availed	5,435.12	6,138.92
Interest paid	(745.40)	(866.81)
Net cash generated from financing activities - [C]	4,162.63	7,918.85
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	(243.56)	381.96
Add: Cash and cash equivalents at the beginning of the year	384.15	2.19
Cash and cash equivalents at the end of the year	140.59	384.15
The above statement of cash flows should be read in conjunction with the accompanying notes.		

As per our Report of even date
For DALAL & SHAH LLP
Firm Registration No. 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai : April 25, 2017

For and on Behalf of Board of Directors of
Raymond Luxury Cottons Limited

sd/-

Surya Kant Gupta
Director
DIN: 00323759

sd/-

Bibek Agarwala
Director
DIN: 07267564

sd/-

Bibekananda Pradhan
Chief Financial Officer
Mumbai : April 25, 2017

sd/-

Rameez Shaikh
Company Secretary

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March, 2017

Statement of Changes in Equity

A. Equity share capital

	Note	(Rs. in Lakhs)
As at 1 April 2015		10,700.00
Changes in equity share capital	14	6,168.00
As at 31 March 2016		16,868.00
Changes in equity share capital	14	-
As at 31 March 2017		16,868.00

B. Other equity

	(Rs. in Lakhs) Reserves and Surplus
Retained Earnings	
Balance as per Ind AS as at 1st April, 2015	5,460.21
Ind AS adjustment:	
Transaction cost arising on borrowings, net of tax	28.24
Derivative Financial instruments, net of tax	2.45
Deferred Tax on transaction cost	
Balance as per Ind AS as at 1st April 2015	5,490.90
Profit for the year	1,347.34
Other Comprehensive Income for the year, net of tax	2.94
Government grant on PPE	
Transaction cost arising on share issue	(101.17)
Total Comprehensive Income for the year	1,249.11
Balance as at 31st March 2016	6,740.03
Profit for the year	1,437.79
Other Comprehensive Income for the year	(18.77)
Total Comprehensive Income for the year	1,419.02
Balance as at 31st March 2017	8,159.05

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our Report of even date
For DALAL & SHAH LLP
Firm Registration No. 102021W/W100110
Chartered Accountants

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai : April 25, 2017

For and on Behalf of Board of Directors of
Raymond Luxury Cottons Limited

sd/-
Surya Kant Gupta
Director
DIN: 00323759

sd/-
Bibek Agarwala
Director
DIN: 07267564

sd/-
Bibekananda Pradhan
Chief Financial Officer
Mumbai : April 25, 2017

sd/-
Rameez Shaikh
Company Secretary

RAYMOND LUXURY COTTONS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

Note: 2 - Property, Plant and Equipment

(Rs. in lakhs)

	Lease Hold Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Total
Gross Carrying Amount							
Deemed Cost as at 1st April 2015 #	252.47	2,430.46	11,321.63	46.90	8.33	7.73	14,067.52
Additions	-	324.03	6,935.37	74.22	-	2.03	7,335.65
Disposals	-	-	47.94	3.84	-	0.15	51.93
Balance as at 31st March 2016	**252.47**	**2,754.49**	**18,209.06**	**117.28**	**8.33**	**9.61**	**21,351.23**
Additions	-	1,345.66	4,409.77	51.04	-	1.56	5,808.03
Disposals	-	38.44	6.13	-	-	-	44.57
Balance as at 31st March 2017	**252.47**	**4,061.71**	**22,612.70**	**168.32**	**8.33**	**11.17**	**27,114.70**
Accumulated Depreciation							
Additions	2.77	104.94	1,771.62	74.12	2.60	4.39	1,960.44
Disposals	-	-	1.13	0.65	-	0.01	1.79
Balance as at 31st March 2016	**2.77**	**104.94**	**1,770.49**	**73.47**	**2.60**	**4.38**	**1,958.65**
Additions	2.77	129.21	2,153.44	31.84	1.79	2.70	2,321.75
Disposals	-	2.08	1.81	-	-	-	3.89
Balance as at 31st March 2017	**5.54**	**232.07**	**3,922.12**	**105.31**	**4.39**	**7.08**	**4,276.51**
Net Carrying Amount							
Balance as at 1st April, 2015	252.47	2,430.46	11,321.63	46.90	8.33	7.73	14,067.52
Balance as at 31st March, 2016	249.70	2,649.55	16,438.57	43.81	5.73	5.23	19,392.59
Balance as at 31st March, 2017	246.93	3,829.64	18,690.58	63.01	3.94	4.09	22,838.19
# Deemed Cost as on 1st April 2015							
Cost as on 1st April 2015	278.44	3,243.18	23,679.32	253.85	17.95	31.60	27,504.34
Accumulated depreciation	25.97	812.72	12,357.69	206.95	9.62	23.87	13,436.82
Deemed Cost as on 1st April 2015	252.47	2,430.46	11,321.63	46.90	8.33	7.73	14,067.52

(i) Refer Note 34 for disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.

(ii) Refer Note 36 for Property, Plant & Equipment pledged as security.

(iii) Capital work in progress mainly comprises new manufacturing unit being constructed in Amravati (Maharashtra).

(iv) Refer Note 17, 22 and 44 for government grant relating to assets.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 3 - Other Intangible Assets

(Rs. in lakhs)

	Software #	Total
Gross Carrying Amount		
Deemed Cost as at 1st April 2015	4.62	4.62
Additions	2.76	2.76
Balance as at 31st March 2016	**7.38**	**7.38**
Additions	2.27	2.27
Balance as at 31st March 2017	**9.65**	**9.65**

Accumulated Depreciation		
Additions	4.28	4.28
Balance as at 31st March 2016	**4.28**	**4.28**
Additions	1.98	1.98
Balance as at 31st March 2017	**6.26**	**6.26**
Net Carrying Amount		
Balance as at 1st April, 2015	4.62	4.62
Balance as at 31st March, 2016	3.10	3.10
Balance as at 31st March, 2017	3.39	3.39

other than Internally generated.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 4a - Loans
(Unsecured and considered good, unless otherwise stated)

(Rs. in Lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Loans to employees	-	-	1.50
Total	**-**	**-**	**1.50**

Refer Note: 39 for information about credit risk and market risk for loans.

Note: 4b - Other financial assets
(Unsecured and considered good, unless otherwise stated)

(Rs. in Lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Security Deposits	41.97	51.70	28.26
Total	**41.97**	**51.70**	**28.26**

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March, 2017

Note: 5: Income Tax
Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

	Year ended 31 March, 2017	Year ended 31 March, 2016
Current tax		
Current year	394.82	(291.79)
MAT credit entitlement	(394.82)	291.79
Total	-	-
Deferred tax		
Origination and reversal of temporary difference	(373.40)	(210.33)
Total deferred income tax expense/(credit)	**(373.40)**	**(210.33)**
Total income tax expense/(credit)	**(373.40)**	**(210.33)**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(Rs. in lakhs)

	Year ended 31 March, 2017	Year ended 31 March, 2016
Reconciliation of effective tax rate		
Profit before tax	1,848.42	1,535.47
Enacted income tax rate in India	34.608	33.063
Income Tax expense as per enacted rate	639.70	507.67
Current Tax pertaining to earlier years	37.23	-
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses		
Differences due to:		
Expenses not deductible for tax purposes	12.16	21.95
Others Specified as below:		
Investment allowance	(202.22)	(319.29)
Tax pertaining to earlier years	(37.23)	-
Other items	(76.24)	
	373.40	**210.33**
Effective tax rate (%)	**20.20%**	**13.70%**

Consequent to reconciliation items shown above, the effective tax rate is 20.20% (2015-16: 13.68%)

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March, 2017

Note: 5: Income Tax

The movement in deferred tax assets and liabilities for the year ended 31st March 2016 and 31st March 2017

(Rs. in lakhs)

Movement during the year ended March 31, 2016 and March 31,2017	As at 1st April 2015	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March 2017
Deferred tax assets/(liabilities)							
Provision for post retirement benefits and other employee benefits	55.68	24.63	(1.55)	78.76	12.06	9.94	100.76
Provision for doubtful debts and advances	381.45	13.08		394.53	(6.15)		388.38
Expenses allowable for tax purposes when paid	42.43	37.66		80.09	(0.23)		79.86
Depreciation	(805.46)	(307.47)		(1,112.93)	(525.40)		(1,638.33)
Other temporary differences(Unabsorbed Losses)	-	45.55		45.55	150.58		196.13
Transaction cost for Borrowings	(16.16)	(1.59)		(17.75)	(4.24)		(22.00)
MAT	68.00	291.79		359.79	394.82		754.61
Total	(274.06)	103.66	(1.55)	(171.96)	21.43	9.94	(140.59)

Note: 6 - Other non-current assets

(Rs. in Lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Capital advances	1,643.83	111.96	1,103.53
Prepaid Rent - Leasehold Land	270.75	-	-
Balance with government authorities	1,835.34	1,579.23	657.50
Total	**3,749.92**	**1,691.19**	**1,761.03**

Note: 7 - Inventories

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Raw Materials	2,814.12	2,306.59	1,983.26
Work-in-progress	2,449.84	1,801.78	2,013.58
Finished goods	1,123.99	758.92	515.91
Finished goods- In Transit	8.14	-	-
Stores and Spares	488.97	408.58	382.11
Stores and Spares - In Transit	-	-	35.48
Total	**6,885.06**	**5,275.87**	**4,930.34**

Write down of Inventories to NRV amounted to Rs. 254.02 Lakhs (31st March 2016 Rs.129.33 Lakhs; 1st April 2015 Rs. 254.68 Lakhs). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

Note: 8 - Current Investments
(Non Trade, Quoted)

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investments in Mutual Funds (Units of Rs. 1,000 each, unless otherwise specified) **			
(a) UTI Mutual Fund - Money Market Fund - Institutional Plan - Direct Plan - Growth Option - (31st March, 2016 - 4,409.506 Units; 1st April, 2015 - Nil)	-	74.91	-
(b) Reliance Mutual Fund - Liquid Fund Treasury Plan Direct Plan Growth Option - (31st March, 2017 - 23077.366 Units;31st March, 2016 - 31,670.346 Units; 1st April, 2015 - Nil)	951.27	1,170.22	-
Total	**951.27**	**1,245.13**	**-**
Market value of quoted investments	951.27	1,245.13	-

** Pertains to unutilised monies out of issue of Equity Shares.
Refer Note: 39 for information about credit risk and market risk of investments.
Refer Note: 43 for information about fair value measurement.

Note: 9 - Trade receivables

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Unsecured, considered good			
Related parties	6,906.16	5,139.36	4,596.58
Other parties	4,221.09	3,539.00	3,153.21
Considered doubtful			
Related parties	1,122.24	1,122.24	1,122.24
Less: Allowance for bad and doubtful debts	(1,122.24)	(1,122.24)	(1,122.24)
Total	**11,127.25**	**8,678.36**	**7,749.79**

The provision for doubtful debt pertains to amount recoverable from erstwhile JV partner Coltonificio Honegger S.p.a (CH) (Refer Note 42). Since CH is one off party among the debtors, no disclosure on expected credit loss has been given.

The movement in Allowance for bad and doubtful debts is as follows:

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Balance as at beginning of the year	1,122.24	1,122.24	1,122.24
Balance as at the end of the year	**1,122.24**	**1,122.24**	**1,122.24**

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

(Rs. in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total transferred receivables	-	-	556.97
Associated secured borrowing (Refer Note 18)	-	-	(556.97)
Total	-	-	-

Note: 10 - Cash and cash equivalents

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Balances with Banks in current accounts	140.36	381.92	0.99
Cheques, drafts on hand	-	-	0.34
Cash on hand (Refer note below)	0.23	2.23	0.86
Total	**140.59**	**384.15**	**2.19**

Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8th November 2016 to 30th December 2016

(Rs. in lakhs)

Particular	SBNs*	Other Currency	Total
Closing cash in hand as on 8th November 2016	0.32	0.01	0.33
(+) Permitted Receipts	-	0.53	0.53
(-) Permitted Payments	-	0.06	0.06
(-) Amount deposited in Banks	0.32	-	0.32
Closing cash in hand as on 30th December 2016	**-**	**0.48**	**0.48**

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

Note: 11 - Loans

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Loans to employees	1.16	3.09	0.17
Total	**1.16**	**3.09**	**0.17**

Note: 12 - Other Financial Assets

(Rs. in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Considered good			
Interest receivable	23.66	0.75	3.05
Derivative financial instruments	-	-	3.75
Other assets	4.57	7.17	3.45
Total	**28.23**	**7.92**	**10.25**

Note: 13 - Other Current Assets

(Rs. in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Export benefits receivables	54.64	32.62	55.52
Advances to Suppliers	91.02	20.18	64.50
Balance with government authorities	30.28	19.31	38.08
Prepaid expenses	28.43	73.48	23.01
Interest Subsidy Receivable	1,257.57	706.71	168.20
Prepaid Rent - Leasehold Land	10.03	-	-
Other advances	-	4.97	390.21
Total	**1,471.97**	**857.27**	**739.52**

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March, 2017

Note: 14 - Share capital

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
210,000,000 (31st March, 2016: 210,000,000; 1st April, 2015: 110,000,000) Equity Shares of Rs. 10 each	21,000.00	21,000.00	11,000.00
Issued			
207,000,000 (31st March, 2016: 107,000,000; 1st April, 2015 : 107,000,000) Equity shares of Rs. 10 each	20,700.00	20,700.00	10,700.00
Subscribed and fully paid up			
168,680,000 (31st March, 2016: 168,680,000; 1st April, 2015: 107,000,000) Equity Shares of Rs. 10 each	16,868.00	16,868.00	10,700.00
	16,868.00	**16,868.00**	**10,700.00**

a) Reconciliation of number of shares

	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares	Amount (Rs. in lakhs)	Number of shares	Amount (Rs. in lakhs)
Equity Shares :				
Balance as at the beginning of the year	1686,80,000	16,868.00	1070,00,000	10,700.00
Add: Shares issued during the year*	-	-	616,80,000	6,168.00
Balance as at the end of the year	**1686,80,000**	**16,868.00**	**1686,80,000**	**16,868.00**

*To the extent subscribed for.

(b) The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(c) Of the above, 127,680,000 (31st March, 2016 - 127,680,000; 1st April, 2015 - 66,000,000) shares are held by Raymond Limited, the holding Company.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Raymond Limited*	1276,80,000	75.69%	1276,80,000	75.69%	660,00,000	61.68%
Cottonificio Honegger S.p.A	410,00,000	24.31%	410,00,000	24.31%	410,00,000	38.32%

* including equity shares jointly held with nominee shareholders

Note: 15 - Borrowings

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Secured			
Term loans from banks (Refer note 36)	13,112.11	10,170.27	5,271.00
Total	**13,112.11**	**10,170.27**	**5,271.00**

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security and balance outstanding	Terms of Repayment
i) Term loan under Technology Upgradation Fund Scheme (TUFS) of Rs.51.90 Lakhs (31st March 2016: Rs.101.30 Lakhs; 1st April 2015: Rs. 156.48 Lakhs) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all the present and future goods, book debts and other movable assets of the Company.	Repayable in 32 quarterly installments of Rs. 13.09 Lakhs each commencing from 6th June, 2010 and last installment due on 15th March, 2018. Rate of interest as at year end 10.75% per annum (31st March 2016: 10.80% p.a.; 1st April 2015:11.5% p.a.)*.
ii) Term loan of Rs. 656.53 Lakhs (31st March 2016: Rs. 984.37 Lakhs; 1st April 2015: Rs.1,312.22 Lakhs) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all the present and future goods, book debts and other movable assets of the Company.	Repayable in 24 quarterly installments of Rs. 82.42 Lakhs each commencing from 10th April, 2013 and last installment due on 10th October, 2019. Floating rate of interest as at year end 12.00% per annum (31st March 2016: 12.05% p.a.; 1st April 2015: 12.75% p.a.)*.
iii) Term loan under TUFS of Rs. 1,390.66 Lakhs (31st March 2016: Rs.1,787.79 Lakhs; 1st April 2015: Rs.1,984.91 Lakhs) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all present and future goods, book debts and other movable assets of the Company.	Repayable in 20 quarterly installments of Rs. 100.00 Lakhs each commencing from 7th October, 2015 and last installment due on 7th July, 2020. Rate of interest as at year end 11.05% per annum (31st March 2016: 11.10% p.a.; 1st April 2015: 11.80% p.a.)*.
iv) Term loan under TUFS of Rs. 2,955.96 Lakhs (31st March 2016: Rs.3,282.59 Lakhs; 1st April 2015: Rs.2,399.47 Lakhs) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all present and future goods, book debts and other movable assets of the Company.	Repayable in 20 quarterly installments of Rs. 165 Lakhs each commencing from 17th September, 2016 and last installment due on 16th June, 2021. Floating rate of interest as at year end 10.75% per annum (31st March 2016: 11.85% p.a.; 1st April 2015: 11.50% p.a.)*.
v) Term loan under TUFS of Rs. 2,466.89 Lakhs (31st March 2016: Rs. 2,466.24 Lakhs; 1st April 2015: Nil) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all present and future goods, book debts and other movable assets of the Company.	Repayable in 20 quarterly installments of Rs. 123.5 Lakhs each commencing from 20th May, 2017 and last installment due on 19th February, 2022. Floating rate of interest as at year end 10.75% per annum (31st March 2016: 11.85% p.a.)*.
vi) Term loan under TUFS of Rs. 3,700.82 Lakhs (31st March 2016: Rs. 2,825.04 Lakhs; 1st April 2015: Nil) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all present and future goods, book debts and other movable assets of the Company.	Repayable in 20 quarterly installments of Rs. 185.74 Lakhs each commencing from 22nd July, 2017 and last installment due on 21st April, 2022. Floating rate of interest as at year end 10.40% per annum (31st March 2016: 11.00% p.a.)*.
vii) Term loan under TUFS of Rs.187.42 Lakhs (31st March 2016: Nil) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Kagal, Kolhapur, in the State of Maharashtra and by pari passu charge over all present and future goods, book debts and other movable assets of the Company.	Repayable in 20 quarterly installments of Rs. 9.69 Lakhs each commencing from 23rd November, 2018 and last installment due on 22nd August, 2023. Floating rate of interest as at year end 9.65% per annum.*
viii) Term loan under TUFS of Rs. 4,195.21 Lakhs (31st March 2016: Nil) is secured by pari pasu first charge against equitable mortgage by way of deposit of title deeds in respect of immovable properties at Nandgaon, Amaravati, in the State of Maharashtra.	Repayable in 24 quarterly installments of Rs.175.36 Lakhs each commencing from 31st December, 2018 and last installment due on 30th September, 2024. Floating rate of interest as at year end 9.50% per annum.*

The amounts mentioned include installments falling due within a year aggregating to Rs. 2,493.28 Lakhs (31st March 2016: Rs.1,277.06 Lakhs; 1st April 2015: Rs.582.06 Lakhs) have been grouped under “Current maturities of long-term debt" [Refer Note 20]

Amount of Rs. 20.60 Lakhs (31st March, 2016: Rs. 22.94 Lakhs and 1st April, 2015: Rs. 42.95 Lakhs) related to deferred expense towards processing charges is netted of against loan.

* Rate of Interest is without considering interest subsidy as per Central and State Government TUF Schemes.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March, 2017

Note: 16 - Other financial liabilities

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Sublease premium payable	254.71	-	-
Total	**254.71**	**-**	**-**

Note: 17 - Other non - current liabilities

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Government Grants relating to assets (Refer Note 24 and 34)	2,192.98	1,887.46	1,173.81
Total	**2,192.98**	**1,887.46**	**1,173.81**

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment (Refer note 2).

2) Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 34.

Note: 18 - Borrowings

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Secured			
Working capital loans from Banks repayable on demand [Refer Note 36] (Secured against first pari-passu charge on all present and future goods, book debts and other current assets of the Company).	99.18	161.67	1,375.40
Unsecured			
Acceptances	1,554.94	742.48	1,910.98
Local Bills Discounted [Refer Note 9]	-	-	556.97
Total	**1,654.12**	**904.15**	**3,843.35**

Note: 19 - Trade payables [Refer Note 32]

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Amounts payable to related parties [Refer Note 38]	271.29	27.02	0.22
Others	6,631.94	2,558.20	3,146.25
Total	**6,903.23**	**2,585.22**	**3,146.47**

Note: 20 - Other financial liabilities

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current maturities of long-term debt [Refer Note 15]	2,493.28	1,277.06	582.06
Interest accrued but not due on borrowings	88.06	28.96	35.86
Retention money and Security Deposits	70.72	1.74	1.74
Salary and Wages payable	438.71	538.15	276.09
Derivative financial instruments	209.28	-	-
Capital Creditors	3,614.53	87.98	24.67
Sublease premium payable	5.06	-	-
Other payables	8.82	30.28	21.43
Total	**6,928.46**	**1,964.17**	**941.85**

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March, 2017

Note: 21 -Provisions

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Provision for employee benefits [Refer Note: 37]	291.14	227.59	181.46
Total	**291.14**	**227.59**	**181.46**

Note: 22 - Other current liabilities

(Rs. in lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Advances from customer	9.18	33.30	48.67
Statutory Dues	55.96	62.43	47.45
Government Grants relating to assets (Refer Note 17, 24 and 34)	364.41	330.78	280.23
Total	**429.55**	**426.51**	**376.35**

Note: 23 - Revenue from Operations

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Sale of manufactured goods - fabrics	49,632.57	46,304.62
Income from services - Job work	33.99	65.24
Other operating revenue		
- Export incentives	144.46	102.26
- Sale of process waste	196.06	241.42
Total	**50,007.08**	**46,713.54**

Note: 24 - Other income

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Interest income	73.11	6.66
Net gain on sale of current investments**	58.17	45.13
Net gain on foreign currency fluctuation and translation	-	84.42
Deferred Income on Government Grant (Refer Note 17 and 22)	330.78	280.23
Other non-operating income	196.64	266.76
Total	**658.70**	**683.20**

** Including gain as at 31st March 2017 of Rs 0.84 lakhs (31st March 2016: Rs. 7.39 lakhs) on account of fair value of current investments through statement of profit and loss.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 25 - Cost of raw materials consumed

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Opening Stock	2,306.59	1,983.26
Purchases	26,472.81	24,607.26
Less : Closing Stock	2,814.12	2,306.59
Total	**25,965.28**	**24,283.93**

Note: 26 - Changes in inventories of finished goods and work-in-progress

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Opening inventories		
Finished goods	758.92	515.91
Work-in-progress	1,801.78	2,013.58
Closing inventories		
Finished goods	1,123.99	758.92
Work-in-progress	2,449.84	1,801.78
Total	**(1,013.13)**	**(31.21)**

Note: 27 - Manufacturing and Operating Costs

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Consumption of stores and spare parts	6,075.19	5,517.74
Power, water and fuel	2,659.10	2,615.46
Job work charges	5,043.30	4,213.05
Repairs to buildings	701.19	660.59
Repairs to machinery	635.64	741.18
Total	**15,114.42**	**13,748.02**

Note: 28 - Employee benefits expense

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Salaries, wages, etc.	3,113.85	2,754.25
Contribution to provident funds and other funds	121.83	107.00
Gratuity (Refer Note 37)	48.62	43.06
Staff welfare expenses	234.16	221.46
Total	3,518.46	3,125.77

Note: 29 - Finance costs

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Interest expense on Term Loans [Net of interest subsidy of Rs. 517.81 Lakh (Previous Year Rs. 675.45 Lakhs)] (Refer Note below)	661.82	428.07
Interest expense on bank overdraft/ short term borrowings	130.80	369.66
Interest on Inter Corporate deposits	-	47.18
Other borrowing costs	11.88	15.00
Total	**804.50**	**859.91**

a) The amount of borrowing costs capitalised during the year is Rs. 33.37 lakhs (31st March 2016: Nil)
b) The capitalisation rate used to determine the amount of borrowing costs to be capitalised is 9.50% (31st March 2016: Nil) applicable to the Company's specific borrowings during the year.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 30 - Depreciation and amortization expense

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Depreciation on Property, Plant and Equipment	2,321.75	1,960.44
Amortisation on Intangible assets	1.98	4.28
Total	**2,323.73**	**1,964.72**

Note: 31 - Other expenses

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Rent (Refer Note 35)	87.74	56.88
Insurance	19.12	32.15
Repairs & Maintainence Others	31.86	23.84
Rates and Taxes	104.92	61.65
Commission to selling agents	47.65	151.48
Freight, Octroi, etc	79.57	111.57
Legal and Professional Expenses [Refer Note (A) below]	377.55	375.55
Director Fees	5.75	9.11
Expenditure towards Corporate Social Responsibilities [Refer Note (B) below]	5.00	28.00
Donations	0.07	0.50
Loss on sale of Fixed Assets (Net)	37.44	13.02
Provision for doubtful VAT receivables	-	17.75
IT oursourced Support Services	78.00	71.63
Miscellaneous Expenses	1,229.43	957.00
Total	**2,104.10**	**1,910.13**

A. Details of payments to auditors (included in Legal and professional expenses)

(Rs. in lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Audit fees [excluding service tax of Rs. 2.70 Lakhs, (Previous year Rs. 2.18 Lakhs)]	18.00	15.00
Other services [(excluding service tax of Rs. 0.9 Lakhs (Previous year Rs. 0.39 Lakhs)]	6.00	2.50
Reimbursement of expenses [(excluding service tax of Rs. 0.04 Lakhs (Previous year Rs. 0.01 Lakhs)]	0.25	0.10
Total	**24.25**	**17.60**

B. Corporate Social Responsibility Expenditure

(Rs. in lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
a) Gross amount required to be spent by the Company during the year	34.00	27.56
b) Amount spent during the year on:	5.00	28.00
- In cash		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	5.00	28.00
- Yet to be paid in cash		
(iii) Construction/acquisition of any asset	-	-
(iv) On purposes other than (iii) above		-
Total	**5.00**	**28.00**

During the year ended 31st March 2017 the Company was required to spend Rs. 34 Lakhs (Previous year: Rs. 27.56 Lakhs) towards the CSR activities out of which an amount of Rs. 5 Lakhs (Previous period: Rs. 28 Lakhs) paid to Sahachari Foundation for various programmes run by Victoria Memorial School for the Blind. The programmes includes Educational sponsorship for 25 visually impaired students, operating expenses for the Library and Information Resource, skill development training in Information Technology for six visually impaired students. The balance unspent amount is Rs. 29 Lakhs. The Company is continuously making efforts to find out suitable CSR projects in which the Company can make CSR contribution in Project Program mode.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 32- Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 (MSME) are as under –

(Rs. in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a)	Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	14.50	0.18	22.09
b)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	8.69	4.65	4.20
c)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	91.57	26.84	188.99
d)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
e)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
f)	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	3.01	0.45	2.37
g)	Further interest remaining due and payable for earlier years	5.68	4.20	1.83

The above information has been determined for the parties identified on the basis of the information available with the Company regarding the status of the parties under the MSME.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 33 - Contingent liabilities and contingent assets

a) Contingent liabilities (to the extent not provided for)

(Rs. in Lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Claims against the Company not acknowledged as debts			
- Disputed Service Tax where department has filed appeal	1.35	1.35	1.35

Note: Future cash flows in respect of above are determinable only on receipt of judgement/decision pending with the authority/forum and/or final outcome of the matter.

b) Contingent assets
There is no contingent asset identified during the year

Note: 34 - Capital and other Commitments

(Rs. in Lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:			
Property, plant and equipment	5,800.82	426.94	5,857.29
Less: Capital advances	(1,643.83)	(111.96)	(1,103.53)
Net Capital commitments	4,156.99	314.98	4,753.76
(b) Bonds/Undertaking given by the Company under Concessional Duty / Exemption scheme to the Government Authorities (net of obligations fulfilled) (Refer Note 17 and 22)	3,209.38	2,629.59	1,147.25
	3,209.38	**2,944.57**	**5,901.01**

Note: 35 - Lease

(Rs. in Lakhs)

	Year ended 31 March, 2017	Year ended 31 March, 2016
The Company has operating leases for land, premises,warehouse and vehicle. These lease arrangements include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	31.04	-
For a period later than one year and not later than five years	155.19	-
For a period later than five years	682.83	-

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 36 - Assets pledged as Security #

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
A) Non-current Asset (to the extent covered in Loans)			
Land	246.93	249.70	252.47
Building	3,829.64	2,649.55	2,430.46
Plant and Machinery	18,690.58	16,438.57	11,321.63
Furniture & fixtures	63.01	43.81	46.90
Office equipments	3.94	5.73	8.33
Vehicles	4.09	5.23	7.73
Capital Work-in-progress	9,601.78	4,179.65	1,894.54
	32,439.97	**23,572.24**	**15,962.06**
B) Current Asset (to the extent covered in Loans)			
Inventory	6,885.06	5,275.87	4,930.34
Account receivable	11,127.25	8,678.36	7,749.79
	18,012.31	13,954.23	12,680.13
Total Assets pledged as security	**50,452.27**	**37,526.47**	**28,642.19**
# Refer Note 2, 15, 18 and 20			

Note: 37 - Post retirement benefit plans

A. Defined contribution plan:

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs.121.83 Lakhs (31st March 2016: Rs.107 Lakhs).

B. Defined benefit plan:

Employee Benefit Schemes recognised in the financial statements as at 31st March 2017, 31st March 2016 and 1st April 2015 are as follows:

(Rs. in Lakhs)

	Defined benefit plans		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Present value of plan liabilities	376.78	290.11	239.53
Fair value of plan assets	222.48	176.78	149.93
Net Plan liability/ (asset)	**154.30**	**113.33**	**89.60**

C. Movements in plan assets and plan liabilities (Rs. in Lakhs)

	Year ended 31st March 2017			Year ended 31st March 2016		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	176.78	290.11	113.32	149.93	239.53	89.60
Current service cost		39.48	39.48	-	37.91	37.91
Employee contributions			-	-	-	-
Return on plan assets excluding amounts included in net finance income/cost	1.80		(1.80)	2.29	-	(2.29)
Interest cost		23.37	23.37	-	18.68	18.68
Interest income	14.23		(14.23)	13.53	-	(13.53)
Actuarial (gain)/loss arising from changes in demographic assumptions			-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions		8.74	8.74	-	(12.24)	(12.24)
Actuarial (gain)/loss arising from experience adjustments		21.78	21.78	0.00	10.04	10.04
Employer contributions	36.36		(36.36)	14.84	-	(14.84)
Benefit payments	(6.70)	(6.70)	-	(3.81)	(3.81)	-
As at 31st March	**222.48**	**376.78**	**154.30**	**176.78**	**290.11**	**113.33**

The liabilities are split between different categories of plan participants as follows:

• active members - 930 (31st March 2016: 849)

The weighted average duration of the defined benefit plans is 18 years (31st March 2016 : 19 Years)

The Company expects to contribute Rs. 36.36 Lakhs (31st March 2016 : 14.84 Lakhs) to the funded plans in the next financial year

D. Statement of Profit and Loss (Rs. in Lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
Employee Benefit Expenses:		
Current service cost	39.48	37.91
Total	39.48	37.91
Finance cost/(income)	9.14	5.15
Net impact on the Profit / (Loss) before tax	**48.62**	**43.06**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(1.80)	(2.29)
Actuarial gains/(losses) arising from changes in demographic	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	8.74	(12.24)
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	21.78	10.04
Net impact on the Other Comprehensive Income before tax	**28.72**	**(4.49)**

E. Assets (Rs. in Lakhs)

	Defined benefit plans		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Unquoted			
Insurer Managed Fund	222.48	176.78	149.93
Total	**222.48**	**176.78**	**149.93**

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Actuarial Assumptions			
Discount rate	7.90%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%
Expected Rate of Return on Assets	7.90%	8.05%	7.80%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table mortality in retirement

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(Rs. in Lakhs)

	Change in assumption	2016-17		2017-18	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(53.16)	66.40	(42.76)	53.34
Salary Escalation Rate	1%	65.99	(53.78)	53.09	(43.31)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The weighted average duration of the defined benefit obligation is 18 years (31st March 2016 - 19 year).The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

H. The defined benefit obligations shall mature after year end 31st March 2017 as follows:

(Rs. in Lakhs)

	Defined benefit obligation	
	As at 31st March 2017	As at 31st March 2016
2017	22.24	17.89
2018	8.53	6.81
2019	9.20	8.79
2020	16.64	7.70
2021	12.03	14.09
Thereafter	94.39	51.51

I. Risk exposure:

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

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India Limited. It is subject to interest rate risk. The company intends to maintain the above investments in the continuing years.

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Note: 38 - Related Party Disclosures as per Ind AS 24

A. Relationship where control exists
(a) Holding Company — Raymond Limited, India

(B) Other Related Parties with whom the company had transactions
(a) Fellow Subsidiaries —
Raymond Apparel Limited, India
Colorplus Fashions Limited, India
Silver Spark Apparel Limited, India
Celebrations Apparel Limited, India
Raymond UCO Denim Private Limited, India
Dress Master Apparel Private Limited, Inida**
Raymond (Europe) Limited, United Kingdom

(C) Parties having significant influence on the Company
(i) Shareholder — Cottonficio Honegger S.p.A, Italy**

(ii) Party having significant influence on parties stated in A (a) above with whom company had transactions — J.K. Investors (Bombay) Limited, India

(D) Key management personnel
S.K.Gupta, Director **
Geethaa Ghaneckar, Director**
Bibek Agarwala, Director**
Narayanan Ramalingam, Director
R. A. Prabhudesai, Director
Sanjay Bahl, Director**
Gautam Hari Singhania, Director (upto 16th September 2015)**
S.L.Pokharna, Director (upto 26th October 2016)**

***No transactions during the year*

Disclosure of transactions carried out with related parties in the ordinary course of business:-

(Rs. in Lakhs)

	Year ended 31st March 2017	Year ended 31st March 2016
(1) Parties mentioned in 38(A) (a) above		
Sales – Goods :	676.06	1,189.47
Issuance of Shares	-	6,168.00
Inter-Corporate Deposit taken	-	2,990.00
Expenses :		
Purchases of raw material	1.77	1.12
Rent and other service charges	19.03	18.86
Deputation of staff	-	58.42
Other reimbursements	37.20	22.92
Interest on Inter-Corporate Deposit	-	47.18
Inter-Corporate Deposit repaid	-	2,990.00
(2) Parties mentioned in 38(B) (a) above		
Sales – Goods :		
Celebrations Apparel Limited	1,855.31	2,014.33
Raymond UCO Denim Private Ltd	1,259.25	1,602.73
Others	236.04	345.93
Other Receipts		
Raymond UCO Denim Private Limited	13.35	10.70
Purchases of raw material		
Raymond UCO Denim Private Limited	1,171.26	1,409.26
Others	15.90	-
Expenses :		
Raymond UCO Denim Private Limited	-	2.08
(3) Party mentioned in 38(C) (ii) above		
Sales – Goods :	24,708.73	24,400.96
Expenses :		
Land lease	10.03	-
Rent *	0.00	-
Interest on Sublease	19.48	-
(4) Individuals mentioned in 38(D) above		
Director Fees		
Narayanan Ramalingam	2.87	3.99
R. A. Prabhudesai	2.88	3.99
Gautam Hari Singhania	-	1.13

* Amount is below the rounding off norm adopted by the company

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Disclosure of outstanding balances of related parties as at the year end:

(contd.)
(Rs. in Lakhs)

	As at 31st March 2017	As at 31st March, 2016	As at 31st March, 2015
Parties mentioned in 38(A) (a) above			
Receivable			
Raymond Limited	218.39	117.49	349.39
Payable			
Raymond Limited	0.36	2.77	0.22
Parties mentioned in 38(B)(a) above			
Receivable			
Celebrations Apparel Limited	291.52	731.03	262.75
Raymond Uco Denim Private Ltd	361.48	-	-
Others	36.92	228.78	23.51
Payable			
Raymond UCO Denim Private Limited	270.93	24.25	-
Parties mentioned in 38(C) above			
Receivable			
Cottonficio Honegger S.p.A*	1,123.27	1,123.27	1,123.27
J.K. Investors (Bombay) Limited	5,997.85	4,062.06	3,960.93
Payable			
Cottonficio Honegger S.p.A*	1.03	1.03	1.03
J.K. Investors (Bombay) Limited	259.77	-	-

* Fully provided (Refer Note 9)

Note: 39 - Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies.
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control through approved policies and procedures over the entire process of market risk management.

Market Risk- Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, corporate interest rate risk management is performed by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs in Lakhs)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Borrowings bearing variable rate of interest	15,704.57	11,609.00	7,228.46

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs in Lakhs)

	2016-2017	2015-2016
50 bp increase- decrease in profits	(63.18)	(56.99)
50 bp decrease- Increase in profits	63.18	56.99

Market Risk- Foreign currency risk
The Company operates internationally and portion of the business is transacted in different currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure:

(a) Derivative outstanding as at the reporting date: **(FC in lakhs)**

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Currency	Amount	Currency	Amount	Currency	Amount
Forward contracts to buy USD	USD	63.19	USD	3.94	USD	-
Forward contracts to buy EUR	EUR	41.81	EUR	-	EUR	-
Forward contracts to Sell USD	USD	-	USD	-	USD	2.18

All the derivative instruments have been acquired for hedging purposes.

(b) Particulars of unhedged foreign currency exposures as at the reporting date:

(FC in lakhs)

As at 31st March 2017	USD	EURO	JPY	CHF
Trade Receivables	4.32	0.47	-	-
Trade Payables	4.63	1.46	8.69	0.15

As at 31st March 2016	USD	EURO	JPY	CHF
Trade Receivables	1.77	0.28	-	-
Trade Payables	0.74	0.00	-	-

As at 1st April 2015	USD	EURO	JPY	CHF
Trade Receivables	2.05	0.41	-	-
Trade Payables	0.73	0.16	-	-

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in Lakhs)

	2016-2017		2015-2016	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	0.20	(0.20)	(0.68)	0.68
EURO	0.05	(0.05)	(0.21)	0.21
Others	0.15	(0.15)	-	-
Increase / (decrease) in profit or loss	**0.40**	**(0.40)**	**(0.89)**	**0.89**

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where loans or receivables have been written off, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

(Rs in Lakhs)

Ageing of Account receivables	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Not due	6,489.31	6,709.60	5,576.93
0-3 months	3,098.13	1,318.53	1,147.30
3-6 months	1,041.93	264.18	982.00
6 months to 12 months	389.52	169.11	43.56
beyond 12 months	108.36	216.94	-
Total	**11,127.25**	**8,678.36**	**7,749.79**

Movement in provisions of doubtful debts	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Opening provision	1,122.24	1,122.24	1,122.24
Add:- Additional provision made	-	-	-
Less:- Provision write off/ reversed	-	-	-
Less:- Provision utilised against bad debts	-	-	-
Closing provisions	**1,122.24**	**1,122.24**	**1,122.24**

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. Processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs in Lakhs)

	As at 31st March 2017			
	0-1 years	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	2,493.28	8,949.34	4,226.31	15,668.93
Short term borrowings	1,654.12	-	-	1,654.12
Expected Interest payable	1,399.98	3,377.98	287.19	5,065.15
Total	**5,547.38**	**12,327.32**	**4,513.50**	**22,388.20**

	As at 31st March 2016			
	0-1 years	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	1,277.06	2,841.34	7,386.92	11,505.32
Short term borrowings	904.15	-	-	904.15
Expected Interest payable	1,188.59	2,497.56	62.54	3,748.69
Total	**3,369.80**	**5,338.90**	**7,449.46**	**16,158.16**

	As at 1st April 2015			
	0-1 years	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	582.06	1,475.77	3,838.19	5,896.02
Short term borrowings	3,843.35	-	-	3,843.35
Expected Interest payable	570.49	1,442.50	79.00	2,091.99
Total	**4,995.90**	**2,918.27**	**3,917.19**	**11,831.36**

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

Maturity patterns of other Financial Liabilities

As at 31st March 2017 **(Rs in Lakhs)**

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	3,921.71	2,868.98	0.21	110.44	0.00	6,901.34
Payable related to Capital goods	3,523.41	91.12	-	-	-	3,614.53
Other Financial liabilities (Current and Non Current)	-	222.32	160.04	438.24	254.71	1,075.31
Total	**7,445.12**	**3,182.42**	**160.25**	**548.68**	**254.71**	**11,591.18**

As at 31st March 2016 **(Rs in Lakhs)**

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	1,257.44	1,147.88	179.90	-	-	2,585.22
Payable related to Capital goods	7.80	80.18	-	-	-	87.98
Other Financial liabilities (Current and Non Current)	-	312.50	-	284.89	1.74	599.13
Total	**1,265.24**	**1,540.56**	**179.90**	**284.89**	**1.74**	**3,272.33**

As at 1st April 2015 **(Rs in Lakhs)**

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	1,181.55	1,849.68	115.24	-	-	3,146.47
Payable related to Capital goods	24.67	-	-	-	-	24.67
Other Financial liabilities (Current and Non Current)	-	144.69	-	190.43	-	335.12
Total	**1,206.22**	**1,994.37**	**115.24**	**190.43**	**-**	**3,506.26**

Note: 40 - Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note: 41 - Earnings per Share

(Rs. in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Earnings per share		
Profit for the year	1,437.79	1,347.34
Weighted average number of shares	1686,80,000	1305,93,443
Earnings per share (Rs. per equity share of Rs. 10 each)		
- Basic	0.85	1.03
- Diluted	0.85	1.03

Note: 42

In the year 2012-13, Cottonificio Honegger S.p.A ('CH'), Italy, the erstwhile JV partner with Raymond Limited, had submitted request for voluntary winding up including composition of its creditors in the Court of Bergamo, Italy. Consequent to this, the Company as at 31st March 2013, had provided for its entire accounts receivable from CH of USD 1,255,058 and Euro 612,831, equivalent Indian Rupee aggregating Rs. 1,122.24 Lakhs. In the year 2013 - 14, the Company had put up its claim of receivable from CH of Rs. 1,122. 24 Lakhs before the Judicial Commissioner of the Composition (the Commissioner) appointed by the Court of Bergamo, Italy. In protraction of matter with Cottonificio Honegger S.p.A ('CH'), Italy, the Judicial Commissioner of the Composition ("the Commissioner") appointed by the Court of Bergamo, Italy, has declared the Company ("RLCL") as unsecured creditor for the amount outstanding from 'CH'. Further 'CH' had also sought permission from the Court of Bergamo, Italy, for initiating proceeding against 'the Company' in India

The Company had received a notice dated 23rd November 2015 notifying that CH has filed a Petition against the Company before the Hon'ble Company Law Board ("CLB"), Mumbai Bench under Section 397 and 398 of Companies Act, 1956. The Company responded to the petition filed by CH. The CLB in its order dated 26th November, 2015 has recorded the statement made by the counsel for RLCL that CH's shareholding in RLCL shall not be reduced further and the fixed assets of RLCL also shall not be alienated till further order. Subsequently, the proceedings were transferred to the National Company Law Tribunal ("NCLT"), Mumbai bench and currently, the matter is pending before the said forum.

Note: 43 Segment information

The Company's business activity falls within a single primary business segment of manufacture of cotton fabric and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:
The Company having combined revenue of more than 10% with the related parties amounts to Rs. 28,777.14 lakhs.Further there is no external customer having revenue of more than 10%.

RAYMOND LUXURY COTTONS LIMITED

Notes to the Financial Statements for the year ended 31st March 2017

Note: 44 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sa

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectl

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Financial Assets and Liabilities as at 31st March 2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Mutual Fund	-	951.27	951.27	951.27	-	-	951.27		-		-	-	-	-	-	951.27
	-	**951.27**	**951.27**	**951.27**	**-**	**-**	**951.27**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**951.27**
Other Assets																
Loans	-	1.16	1.16	-	-	-	-				-	-	-	1.16	1.16	1.16
Other Financial Assets	41.97	28.23	70.20	-	-	-	-					-	-	70.20	70.20	70.20
Trade receivable	-	11,127.25	11,127.25	-	-	-	-					-	-	11,127.25	11,127.25	11,127.25
Cash and Cash equivalents	-	140.59	140.59	-	-	-	-					-	-	140.59	140.59	140.59
	41.97	**12,248.50**	**12,290.47**	**951.27**	**-**	**-**	**951.27**	**-**	**-**	**-**	**-**	**-**	**-**	**11,339.20**	**11,339.20**	**12,290.47**
Financial Liabilities																
Borrowings	13,112.11	1,654.12	14,766.23	-	-	-	-					-	-	14,766.23	14,766.23	14,766.23
Other Financial Liabilities	-	6,928.46	6,928.46	-	-	-	-					-	-	6,928.46	6,928.46	6,928.46
Trade Payables	-	6,903.23	6,903.23	-	-	-	-					-	-	6,903.23	6,903.23	6,903.23
	13,112.11	**15,485.81**	**28,597.92**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**28,597.92**	**28,597.92**	**28,597.92**

Financial Assets and Liabilities as at 31st March 2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Mutual Fund	-	1,245.13	1,245.13	1,245.13	-	-	1,245.13		-		-	-	-	-	-	1,245.13
	-	**1,245.13**	**1,245.13**	**1,245.13**	**-**	**-**	**1,245.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,245.13**
Other Assets																
Loans	-	3.09	3.09	-	-	-	-				-	-	-	3.09	3.09	3.09
Other Financial Assets	51.70	7.92	59.62	-	-	-	-					-	-	59.62	59.62	59.62
Trade receivable	-	8,678.36	8,678.36	-	-	-	-					-	-	8,678.36	8,678.36	8,678.36
Cash and Cash equivalents	-	384.15	384.15	-	-	-	-					-	-	384.15	384.15	384.15
	51.70	**10,318.65**	**10,370.35**	**1,245.13**	**-**	**-**	**1,245.13**	**-**	**-**	**-**	**-**	**-**	**-**	**9,125.22**	**9,125.22**	**10,370.35**
Financial Liabilities																
Borrowings	10,170.27	904.15	11,074.42	-	-	-	-					-	-	11,074.42	11,074.42	11,074.42
Other Financial Liabilities	-	1,964.17	1,964.17	-	-	-	-					-	-	1,964.17	1,964.17	1,964.17
Trade Payables	-	2,585.22	2,585.22	-	-	-	-					-	-	2,585.22	2,585.22	2,585.22
	10,170.27	**5,453.54**	**15,623.81**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15,623.81**	**15,623.81**	**15,623.81**

Financial Assets and Liabilities as at 1st April 2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Mutual Fund	-	-	-	-	-	-	-		-		-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets																
Loans	1.50	0.17	1.67	-	-	-	-				-	-	-	1.67	1.67	1.67
Other Financial Assets	28.26	10.25	38.51	-	-	-	-					-	-	38.51	38.51	38.51
Trade receivable	-	7,749.79	7,749.79	-	-	-	-					-	-	7,749.79	7,749.79	7,749.79
Cash and Cash equivalents	-	2.19	2.19	-	-	-	-					-	-	2.19	2.19	2.19
	29.76	**7,762.40**	**7,792.16**	-	-	-	-	-	-	-	-	-	-	**7,792.16**	**7,792.16**	**7,792.16**
Financial Liabilities																
Borrowings	5,271.00	3,843.35	9,114.35	-	-	-	-					-	-	9,114.35	9,114.35	9,114.35
Other Financial Liabilities	-	941.86	941.86	-	-	-	-					-	-	941.86	941.86	941.86
Trade Payables	-	3,146.47	3,146.47	-	-	-	-					-	-	3,146.47	3,146.47	3,146.47
	5,271.00	**7,931.68**	**13,202.68**	-	-	-	-	-	-	-	-	-	-	**13,202.68**	**13,202.68**	**13,202.68**

	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Investments						
- Mutual Fund	-	-	-	-	-	-
Other Assets						
Loans	1.16	1.16	3.09	3.09	1.67	1.67
Other Financial Assets	70.20	70.20	59.62	59.62	38.51	38.51
Trade receivable	11,127.25	11,127.25	8,678.36	8,678.36	7,749.79	7,749.79
Cash and Cash equivalents	140.59	140.59	384.15	384.15	2.19	2.19
	11,339.20	**11,339.20**	**9,125.22**	**9,125.22**	**7,792.16**	**7,792.16**
Financial Liabilities						
Borrowings	14,766.23	14,766.23	11,074.42	11,074.42	9,114.35	9,114.35
Other Financial Liabilities	6,928.46	6,928.46	1,964.17	1,964.17	941.86	941.86
Trade Payables	6,903.23	6,903.23	2,585.22	2,585.22	3,146.47	3,146.47
	28,597.92	**28,597.92**	**15,623.81**	**15,623.81**	**13,202.68**	**13,202.68**

Note 45: First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions

(a) Deemed Cost

The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and equipment's and Intangible assets as deemed cost as at transition date (Refer Note 2)

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(b) Classification and measurement of financial assets

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

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

I. Reconciliation of Equity as at April 1, 2015 and March 31, 2016
II. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
III. Reconciliation of Balance sheet as at March 31, 2016
IV. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016
V. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Equity as at 1st April 2015 and 31st March 2016

(Rs. in lakhs)

	Note	As at 31st March, 2016	As at 1st April, 2015
Total equity under local GAAP		23,553.50	16,160.21
Adjustments net of deferred tax impact: (Gain)/ Loss			
Transaction cost on borrowings, net of tax		17.99	28.24
Fair valuation of Investments	F	7.39	-
Government Grant		29.96	-
Fair valuation of Forward contract		2.45	2.45
Remeasurement of net defined benefit		(2.94)	-
Total equity under Ind AS		**23,608.36**	**16,190.90**
Total equity under Ind AS (As per Financial)		**23,608.03**	**16,190.90**
Difference		**0.33**	**-**

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

II. Reconciliation of Balance sheet as at 1st April 2015 (Transition Date)

(Rs. in lakhs)

	Note	Regrouped Previous GAAP (Refer Note A below)	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	D	12,613.48	1,454.04	14,067.52
Capital work-in-progress		1,894.54	-	1,894.54
Intangible assets		4.62	-	4.62
Financial Assets				
Loans		1.50	-	1.50
Other financial assets		28.26	-	28.26
Current Tax Assets (Net)		209.54	-	209.54
Other non-current assets		1,761.03	-	1,761.03
Current assets				
Inventories		4,930.34	-	4,930.34
Financial Assets				
Trade receivables	I	7,192.82	556.97	7,749.79
Cash and cash equivalents		2.19	-	2.19
Loans	A	123.60	(123.43)	0.17
Other financial assets	A	-	10.25	10.25
Other current assets	A	622.59	116.93	739.52
TOTAL		**29,384.52**		**31,399.27**

(Rs. in lakhs)

	Note	Regrouped Previous GAAP (Refer Note A below)	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		10,700.00	-	10,700.00
Other Equity		5,460.21	30.69	5,490.90
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	B	5,313.96	(42.96)	5,271.00
Long Term Provisions	A	93.95	(93.95)	-
Deferred tax liabilities (Net)		257.89	16.18	274.07
Other non-current liabilities	D	-	1,173.81	1,173.81
Current liabilities				
Financial Liabilities				
Borrowings	I & K	1,375.40	2,467.95	3,843.35
Trade payables		5,057.45	(1,910.98)	3,146.47
Other financial liabilities		942.04	(0.18)	941.86
Provisions	A	87.51	93.95	181.46
Other current liabilities	D	96.12	280.23	376.35
TOTAL		**29,384.53**		**31,399.28**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

RAYMOND LUXURY COTTONS LIMITED

Notes to the Financial Statements for the year ended 31st March 2017

III. Reconciliation of Balance sheet as at 31st March 2016

(Rs. in lakhs)

	Note	Regrouped Previous GAAP (Refer Note A below)	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	D	17,167.65	2,224.94	19,392.59
Capital work-in-progress		4,179.65	-	4,179.65
Intangible assets		3.11	-	3.10
Financial Assets				
Loans		-	-	-
Others financial assets		51.70	-	51.70
Assets for Current Tax (Net)		175.34	-	175.34
Other non-current assets		1,691.19	-	1,691.19
Current assets				
Inventories		5,275.87	-	5,275.87
Financial Assets				
Investments	F	1,237.74	7.39	1,245.13
Trade receivables		8,678.36	-	8,678.36
Cash and cash equivalents		384.15	-	384.15
Loans	A	108.92	(105.83)	3.09
Other financial assets		7.92	-	7.92
Other current assets	A	751.42	105.85	857.27
TOTAL		**39,713.02**		**41,945.36**

	Note	Regrouped Previous GAAP (Refer Note A below)	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		16,868.00	-	16,868.00
Other Equity		6,685.47	54.56	6,740.03
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	B&D	10,228.46	(58.19)	10,170.27
Provisions	A	116.93	(116.93)	-
Deferred tax liabilities (Net)		154.20	17.76	171.96
Other non-current liabilities	D	-	1,887.46	1,887.46
Current liabilities				
Financial Liabilities				
Borrowings	A	161.67	742.48	904.15
Trade payables	A	3,327.70	(742.48)	2,585.22
Other financial liabilities		1,964.17	-	1,964.17
Provisions	A	110.66	116.93	227.59
Other current liabilities	A&D	95.73	330.78	426.51
TOTAL		**39,712.99**		**41,945.36**

RAYMOND LUXURY COTTONS LIMITED
Notes to the Financial Statements for the year ended 31st March 2017

IV. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

(Rs. in lakhs)

	Note	Regrouped Previous GAAP (Refer Note A below)	Ind AS adjustments	Ind AS
Revenue from Operations		46,713.54	-	46,713.54
Other Income	A & E	641.97	41.23	683.20
Total		**47,355.51**		**47,396.74**
Expenses				
Cost of materials consumed	E	24,507.09	(223.16)	24,283.93
Changes in inventories of finished goods, Stock-in-Trade and work-in progress		(31.21)	(0.00)	(31.21)
Manufacturing and Operating Costs	A	13,751.96	(3.94)	13,748.02
Employee benefits expense	H	3,133.23	(7.46)	3,125.77
Finance costs	B	849.81	10.10	859.91
Depreciation and amortization expense	D	1,691.19	273.53	1,964.72
Other expenses	B&C	2,040.06	(129.93)	1,910.13
Total		**45,942.13**		**45,861.27**
Profit before tax		**1,413.38**	**122.09**	**1,535.47**
Tax expense				
Current tax		(291.79)	583.58	291.79
MAT Credit availed	J	291.79	(583.58)	(291.79)
Deferred tax charge/(credit)	J	(188.09)	398.43	210.34
Profit for the year (A)		**1,225.29**	**520.52**	**1,745.81**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	4.49	4.49
Income tax relating to items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	(1.55)	(1.55)
Equity instruments through Other Comprehensive Income				
Other Comprehensive Income for the year (B)		-	2.94	2.94
Total Comprehensive Income for the year (A+B)		**1,225.29**	**523.45**	**1,748.74**

IV. Adjustments to Statement of Cash flows

Impact of Ind AS adoption on the statements of cash flows for the year ended 31st March 2016

	Note	Regrouped Previous GAAP (Refer Note A below)	Ind AS adjustments	Ind AS
Net cash flow from operating activities		-457.60	2,640.52	2,182.91
Net cash flow from investing activities		-8,230.11	(1,489.69)	(9,719.80)
Net cash flow from financing activities		9,069.67	(1,150.82)	7,918.85
Net increase/(decrease) in cash and cash equivalents		381.96		381.96
Cash and cash equivalents as at 1 April 2015		2.19	-	2.19
Cash and cash equivalents as at 31 March 2016		384.15		384.15

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to Ind AS

A. As required under Paragraph (10C) of Ind AS 101 the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.

B. Borrowings

Under previous GAAP, these transaction costs were charged to the Statement of profit and loss as and when incurred.
As per Ind AS 109 required, transactions costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense on straight line basis. Accordingly the same were adjusted in Long term borrowings.
Accordingly, borrowings as at 31st March 2016 have been reduced by Rs. 58.19 lakhs and 1st April, 2015: Rs. 42.96 lakhs with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31st March 2016 reduced by Rs. 10.10 Lakhs as a result of the additional interest expenses.

C. Share Issue Expenses

Under previous GAAP, these transaction costs incurred on share issue expenses were charged to the Statement of profit and loss as and when incurred. However Ind AS 32 require transaction costs of an equity transaction shall be accounted for as a deduction from equity. Accordingly incremental cost of Rs. 101.17 Lakhs directly attributable to the issue of new shares are shown in equity as a deduction in the retained earnings.

D. Government grant

As stated in the Note 1, on transition to Ind AS, the Company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. However, in view of the Ind AS Transition Facilitation Group (ITFG) clarification bulletin dated April 17, 2017, the deemed cost of property, plant and equipment as at the transition date has been increased by Rs.1,454.04 lakhs being the unamortised Capital Subsidy/EPCG as on the date of the transition (Refer Note 17). The Company has provided incremental depreciation to the extent of Rs. 273.53 Lakhs for the year 31st March, 2016 on the Government grant.

E. Cash discount on purchases

Under previous GAAP, cash discount on purchases were classified as Other income. However as per Ind AS it is shown as reductions from Cost of materials consumed. Accordingly cash discount of Rs. 223.16 lakhs reclassified from other income and shown as reductions from Cost of materials consumed.

F. Fair Valuation of Investments

Under the previous GAAP, investments in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings by Rs 7.39 Lakhs as at 31st March 2016.

G. Fair Valuation of Forward Contracts

Ind AS 109, Forward contracts are carried at fair value with gains and losses recorded in the Statement of Profit and Loss. Accordingly, the same has been fair valued and resulted to decrease of equity Rs 7.82 Lakhs as at 31st March 2016 (increase Rs 7.27 Lakhs as at 01st April 2015).

H. Remeasurements of post employment benefit obligation

Under Ind AS, remeasurements i.e. acturial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increase by Rs 4.49 Lakhs There is no impact on the total equity as at 1st April 2015.

I. Trade receivables

Under Indian GAAP, the Company has derecognised trade receivable on bill discounting of same with Banks. Under Ind AS, financial assets (trade receivable) are derecognized only on transferred of risk and rewards related to trade receivable and amount collected from bank for bill discounting is presented in short term borrowings.There is no impact on the total equity and profit.

J. Minimum Alternate Tax (MAT)

Under previous GAAP, MAT is presented as separate line item in financial. Whereas under Ind AS same is required to be disclosed under deferred tax.There is no impact on the total equity and profit.

K. Trade payables

Under previous GAAP, acceptances was classified under trade payables. Wheras as per Ind AS of acceptances Rs. 742.48 lakhs as on 31st March 2016 (1st April 2015: Rs. 1,910.98 lakhs) it has been classified under unsecured borrowings

BACKGROUND

Raymond Luxury Cottons Limited ('the Company') (CIN: U17120MH2004PLC149276), incorporated in Mumbai, Maharashtra, India, carries on business of textiles. The Company is involved in manufacturing of Cotton and Linen fabric. The Company is a subsidiary of Raymond Limited.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(A) BASIS OF PREPARATION

(i) Compliance with Ind AS

These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following :
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

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 acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(b) Property, plant and equipment

Tangible assets are stated at cost of acquisition, less accumulated depreciation and impairments, if any. 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 Statement of Profit and Loss during the reporting period in which they are incurred.

(c) Depreciation and amortisation

(i) Depreciation on Factory Buildings and Plant and Machinery is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets. Based on an independent technical evaluation, the useful life of Plant and Machinery was estimated as 24 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

(ii) Cost of Leasehold Land is amortized over the period of lease.

(iii) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or up to the month of such sale/ discardment, as the case may be.

(d) Intangible assets

i) **Computer Software**
Computer software are stated at cost of acquisition, less accumulated amortization and impairments, if any.

ii) **Amortisation methods and periods**
The Company amortises computer software with a finite useful life using the straight-line method over the period of 3 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(e) Lease

Finance Lease
Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. Finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating Lease
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

(g) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(h) Inventories

Raw materials, packing materials, finished goods, work in progress, stores and spares are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure,the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is ascertained based on the continuous moving weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(i) Investments and other financial assets

i) Classification

The company classifies its financial assets in the following measurement categories:
1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
2) those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit or Loss are expensed in the Statement of Profit and Loss.

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

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characterstics of the asset. The Company classifies its debt instruments into following categories:

a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

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

c) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit or Loss. Interest income from these financial assets is included in other income.

iii) Impairment of financial assets

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

iv) Derecognition of Financial Assets

A financial asset is derecognized only when
1) The company has transferred the rights to receive cash flows from the financial asset; or
2) 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, it evaluates whether it has transferred substantially all risks and rewards 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 derecognized 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.

j) Income Recognition

Interest income :
Interest income from debt instruments 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 (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends :
Dividends are recognised in the Statement of Profit and Loss only when the light to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

(k) 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the company or the counterparty.

(l) Impairment of non-financial assets
Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the of assessing impairment assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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

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

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

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

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

(n) Derivative financial instruments

Derivative financial instruments, such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks and interest rate risks. Such derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognized in the statement of profit and loss, in the period when they arise.

(o) 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.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 and subsequently measured at amortized cost using the effective interest method.

(p) Borrowing

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable some or all of the facility would be drawn down the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash transferred or liabilities assumed, is recognized in the Statement of Profit and Loss.

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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 term 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.

(q) Provisions and Contingent Liabilities

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

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 risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

(r) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

i) Sale of goods is recognized on transfer of significant risks and rewards of ownership in the goods to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates and sales taxes and excise duties.

ii) Revenue from services is recognised in the accounting period in which the services are rendered.
iii) Interest and other income are recognised on accrual basis.
iv) Income from export incentives such as premium on sale of import licenses, duty drawback etc. are recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

(s) Employees benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

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

iii) Post-employment obligations

(a) defined benefit plans such as gratuity
(b) defined contribution plans such as provident fund

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit or loss as past service cost.

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(vi) Termination benefits

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

(t) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(u) Income Tax

i) 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.

ii) 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 consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also 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.

iii) Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and 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 realize the asset and settle the liability simultaneously.

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

(v) Earnings Per Share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:
1) the profit attributable to owners of the company
2) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii) Diluted earnings per share

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

1) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

2) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(w) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(x) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors assesses the financial performance and position of the company, and makes strategic decisions.

(y) Contributed equity

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

RING PLUS AQUA LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	**:**	SHRI GAUTAM HARI SINGHANIA, CHAIRMAN SHRI H. SUNDER SHRI B. K. CHATURVEDI DR. P. S. PASRICHA SHRI J. S. SABHARWAL
CHIEF FINANCIAL OFFICER	**:**	SHRI SITESH MAHESHWARI
COMPANY SECRETARY	**:**	SHRI GAURAV SAINANI
STATUTORY AUDITORS	**:**	MESSRS. LODHA & CO. CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	**:**	MESSRS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	**:**	D-3,4 SINNAR TALUKA AUDYOGIK VASAHAT MARYADIT, VILLAGE MUSALGAON,TALUKA SINNAR, DIST. NASHIK - 422 112 MAHARASHTRA

RING PLUS AQUA LIMITED

(CIN: U99999MH1986PLC040885)

DIRECTORS' REPORT

To,

The Members of RING PLUS AQUA LIMITED

Your Directors present their Thirtieth Annual Report together with the Audited Financial Statements for the year ended March 31, 2017.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

The Gross Revenue of the Company for the year 2016-17 stood at Rs. 163.21 crore (Previous Year: Rs. 173.52 crore, including Revenue of Rs. 37.38 crores from Forging business which was discontinued in the previous year). During the year under review, your company made profit before tax of Rs. 10.49 crore (Previous Year: Loss Rs. 47.89 crore).

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments which affect the financial position of the Company.

2. DIVIDEND

In order to conserve the resources and to meet the growth plans, your Directors do not recommend any dividend for the financial year 2016-17.

3. RESERVES

Your Company has not transferred any amount to the reserves of the Company.

4. OPERATIONS

In the Financial Year 2016-17, the global economy remained trapped in slow economic growth and dwindling International trade. The low growth has been characterized by slowdown of productivity in many parts of the world, weak investment, low wage growth, low inflation and rising debt levels.

Despite of weak global trends, your Company has improved its performance in the Financial Year 2016-17. It has synergized its resources and focused on the core segments coupled with highest service levels, lean manufacturing philosophy, fast-track new business development, strengthening sales order and supply chain management which helped in improving Company's performance. Hiving off Company's Forging business in previous year, which was affecting its profits, is one of the key strategic moves to improve the performance of the Company.

5. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

SUBSIDIARY COMPANY: R & A Logistics INC., U.S.A

The Wholly owned subsidiary of the Company namely R & A Logistics INC. U.S.A continues to cater to most of the customers in U.S.A. The company made a loss of US$ 23,282 (equivalent to Rs.0.17 crore) [Previous Year: Profit of US$ 11,281 (equivalent to Rs. 0.12 crore)] for the year ended March 31, 2017.

JOINT VENTURE: Rose Engineered Products India Private Limited

The Company had 50% stake in Rose Engineered Products India Private Limited ("JV Company"). In order to concentrate on the core competency, the stake in the Joint Venture Company were sold on September 21, 2016.

Consolidated Account

In accordance with the requirements of Indian Accounting Standard AS-110 prescribed by the Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its subsidiary/joint venture are annexed to this report. Statements containing salient features of the financial statements of subsidiary/joint venture companies are attached with the Financial Statement of your Company.

6. AUDITORS

Statutory Auditors

The Company's Auditors, Messrs Lodha & Co., Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting of the Company and due to other commitments, they have expressed their unwillingness to be reappointed as Auditors.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of Price Water House Chartered Accountants LLP, (ICAI Firm Registration No. 012754N/N500016) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

7. AUDITORS' REPORT

There is no audit qualification in the standalone or in the consolidated financial statements by the Statutory Auditors for the year under review.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/ revised standard operating procedures.

The Company has entrusted the internal and operational audit to Messrs Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

9. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 30,00,00,000 and the paid up Equity Share capital of the Company is Rs. 7,75,66,710. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company.

10. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Gautam Hari Singhania, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re- appointment.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Mr. H. Sunder has decided to relinquish his office of Director from the Company with effect from April 28, 2017. The Board has placed on record its sincere appreciation and gratitude for contributions made by him during his tenure as Director.

Meetings

During the year, 4 Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The Board Meetings were held on April 25, 2016, July 20, 2016, October 25, 2016 and January 24, 2017.

Sr. No.	Name of Director	DATE OF BOARD MEETING			
		25.04.2016	20.07.2016	25.10.2016	24.01.2017
1	Shri Gautam Hari Singhania	✓	-	✓	✓
2	Shri H. Sunder	✓	✓	✓	✓
3	Shri B. K. Chaturvedi	✓	✓	✓	✓
4	Dr. P. S. Pasricha	✓	✓	✓	✓
5	Shri J. S. Sabharwal	-	-	-	✓

Key Managerial Personnel (KMP)

During the year, your Company has appointed Shri Gaurav Sainani (with effect from January 24, 2017) as Company Secretary in place of Shri Atul Dharap (resigned with effect from October 31, 2016) pursuant to Section 203 of the Companies Act, 2013.

As on 31st March, 2017 your Company has the following KMPs:

Sr. No.	Name of the Person	Designation
1	Shri Sitesh Maheshwari	Chief Financial Officer
2	Shri Gaurav Sainani	Company Secretary

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non Independent Directors was carried out by the Independent Directors at their meeting held on December 22, 2016. The Directors express their satisfaction with the evaluation process.

13. COMMITTEES OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the composition of the Audit Committee is as follows.

The Composition of the Committee as under:

1. Shri B.K. Chaturvedi : Independent Director, Chairman
2. Shri J.S. Sabharwal : Independent Director, Member
3. Shri H. Sunder : Non-Executive Director, Member

The terms of reference of the Audit Committee are determined by the Board and their relevance reviewed from time to time.

During the year, four Meetings of the Audit Committee were held viz., April 25, 2016, July 20, 2016, October 25, 2016 and January 24, 2017.

Sr. No.	Name of Director	DATE OF MEETING			
		25.04.2016	20.07.2016	25.10.2016	24.01.2017
1	Shri B.K. Chaturvedi	✓	✓	✓	✓
2	Shri J.S. Sabharwal	✓	-	-	✓
3	Shri H. Sunder	✓	✓	✓	✓

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Board has clearly defined terms of reference for the Nomination and Remuneration Committee, which are as follows:

- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Company Secretary.

The Composition of the Committee is as under:

1. Shri B.K. Chaturvedi : Independent Director, Chairman
2. Dr. P. S. Pasricha : Independent Director, Member
3. Shri H. Sunder : Non-Executive Director, Member

During the year, two committee Meetings were held on April 25, 2016 and December 22, 2016. All the members of the Committee were present for the said Meetings.

Committee of Directors

For administrative convenience, a Committee of the Board of Directors of the Company was constituted by the Board of Directors of the Company for handling day to day affairs of the Company.

The current Composition of the Committee is as under:

1. Shri B. K. Chaturvedi : Chairman
2. Shri H. Sunder : Non-Executive Director

Sr. No.	Name of Director	DATE OF MEETING			
		17.05.2016	15.09.2016	25.10.2016	24.01.2017
1	Shri B. K. Chaturvedi	✓	✓	✓	✓
2	Shri H. Sunder	✓	✓	✓	✓

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee. Because of the loss in the last Financial Year the amount required to be spent by the Company is NIL. The contents of Corporate Social Responsibility policy is annexed as "Annexure A".

The Composition of the Committee is as under:

1. Shri B.K. Chaturvedi : Independent Director, Chairman
2. Shri J.S. Sabharwal : Independent Director, Member
3. Shri H. Sunder : Non-Executive Director, Member

14. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your Company has formulated the Vigil Mechanism/Whistle Blower policy to report genuine concerns to be disclosed. The policy is displayed on the Company's website (www.ringplusaqua.com).

15. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

16. RISK MANAGEMENT

Your Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people's risk. These risks are assessed and steps as appropriate are taken to mitigate these risks.

17. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013;

a. that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit and loss of the Company for the year ended on that date;
c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the Directors have prepared the annual accounts on a going concern basis; and
e. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems were in place and were adequate and operating effectively.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in "Annexure B".

19. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form No MGT-9 is annexed herewith as "Annexure C".

20. PARTICULARS OF EMPLOYEES

Since your Company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

21. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

22. ACKNOWLEDGEMENT

An acknowledgement to all with whose help, co-operation and hard work the Company's operations are running.

For and on behalf of the Board
For RING PLUS AQUA LIMITED

	sd/-	sd/
	H. Sunder	**B. K. Chaturvedi**
	Director	**Director**
Mumbai	Din: 00020583	Din: 00144487
April 27, 2017		

ANNEXURE A

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(approved by the Board of Directors on October 27, 2014)

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- Improving the quality of life in rural areas;
- Eradicating hunger, poverty and malnutrition;
- Promoting healthcare including preventive healthcare;
- Employment enhancing vocational skills;
- Promotion of education including investment in technology in schools;
- Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- Promoting sports including rural and Olympic sports;
- Contribution to funds for promoting technology;
- Investing in various rural development projects;
- Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and

  Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

ANNEXURE B

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A) Conservation of energy

(i) the steps taken or impact on conservation of energy;

- Conventional lighting has been replaced by energy efficient LED lighting in office area.
- We have replaced conventional (Higher HP) coolant pumps on Hobbing process with lower HP pumps, which meet the functional requirements.
- We have established a system for auto ON-Off for coolant pumps during lunch/dinner hours, which are being used on gear induction hardening processes.

  We have saved Rs. 5.60 Lac from the above initiatives during this FY16-17.

(ii) the steps taken by the company for utilising alternate sources of energy;

- No alternate source of energy has been used during the period under review.

(iii) the capital investment on energy conservation equipments;

- The company has invested an amount of Rs. 0.80 Lac in both the division on energy conservation equipment.

(B) Technology absorption

(i) the efforts made towards technology absorption;

We have developed & established a SPM for teeth removal of sensor rings, which was being out-sourced. This helped us to improve OTIF and cost reduction of Rs.18 Lac.

- We have developed & established a state of the art MIG welding SPM for flex-plate welding. This machine has in-built process interlocks & fault finding system. This helped to improve productivity by 100% with reduced COPQ. It also helped to de-skill the process.
- We have developed & established a Gear Washing SPM. This helped to eliminate non-value added (NVA) operations like shot blasting & buffing. This helped to improve the polymer life, which is being used in the subsequent induction hardening process. This also helped to reduce rework significantly (from 3% to 0.5%) on account of dust on gears.
- SMED on Mechanical Press – We introduced a Quick Die Change System on one of our mechanical presses. This helped to reduce set-up time of machine by 60 minutes.
- We have installed a compact coolant filtration system for Mikrosa & shaft track grinding machines to improve cleanliness of coolant and thus improved quality output. This helped to restrict the corrosion of bed-ways & slide-ways of our high value assets like Mikrosa grinder.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

We have consolidated our vendor base and increased ring forming capacity from 10K pcs/day to 13K pcs/day. This helped to minimize material movement & exercise better controls on material accounting.

(iii) the expenditure incurred on Research and Development;

There was no expenditure incurred on research and development

(C) Foreign exchange earnings and Outgo

During the year foreign exchange earnings was Rs. 91.94 crores (Previous Year : Rs. 76.05 crores). The foreign exchange outgo during the year was Rs. 2.79 crores (Previous Year : Rs. 4.55 crores)

ANNEXURE C

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U99999MH1986PLC040885
2.	Registration Date	11/09/1986
3.	Name of the Company	Ring Plus Aqua Limited
4.	Category/Sub-category of the Company	Public Limited Company / Indian Non-Government Company
5.	Address of the Registered office & contact details	D-3/4, Sinnar Taluka Audyogik Vasahat Maryadit Village Musalgoan, Taluka Sinnar, Dist. Nasik – 422112, Maharashtra Contact No. 02551 – 240087
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083 Tel : 022-49186000 Fax : 022-49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated):

Sr. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the company
1	Ring Gears	28140	65
2	Forged Machined Components	25910	24
3	Shaft Bearings	28140	10

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1.	**Scissors Engineering Products Limited with its Nominees** New Hind House, Narottam Morarji Marg, Ballard Estate, Fort, Mumbai-400001, Maharashtra	U29130MH2005PLC154732	Holding Company	89.07%	Section 2(46)
2.	**R & A Logistics, INC.** 27, Mulvaney Street, Asheville, NC 28803, USA	NA	Subsidiary Company	100%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	6908482	120	6908602	89.07%	6908482	120	6908602	89.07%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**6908482**	**120**	**6908602**	**89.07%**	**6908482**	**120**	**6908602**	**89.07%**	
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	247200	247200	3.19%	-	247200	247200	3.19%	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) [Non Resident Indians (Repat)]	-	-	-	-	-	-	-	-	-
j) Others (office bearers)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**247200**	**247200**	**3.19%**	**-**	**247200**	**247200**	**3.19%**	**-**
2. Non-Institutions	-		-		-	-	-	-	
a) Bodies Corp.	20000	61290	81290	1.05%	20000	61290	81290	1.05%	-
i) Indian	-	-	-		-	-	-	-	-
ii) Overseas	-	-	-		-	-	-	-	-
b) Individuals	-	-	-		-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 Lac	99733	403156	502889	6.48%	101449	401440	502889	6.48%	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lac	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-		-	-	-	-	-
Hindu Undivided Family (HUF)	7104	-	7104	0.09%	7104	-	7104	0.09%	-
Non Resident Indians(Repat)	-	8786	8786	0.11%	-	8786	8786	0.11%	-
Others (office bearers)	300	500	800	0.01%	300	500	800	0.01%	-
Sub-total (B)(2):-	**127137**	**473732**	**600869**	**7.75%**	**128853**	**472016**	**600869**	**7.75%**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**127137**	**720932**	**848069**	**10.93%**	**128853**	**719216**	**848069**	**10.93%**	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**7035619**	**721052**	**7756671**	**100%**	**7037335**	**719336**	**7756671**	**100%**	**-**

II. Shareholding of Promoter:

Sr. N	Shareholder's Name	Shareholding at the beginning of the year [As on 1-April-2016]			Shareholding at the end of the year[As on 31-March-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	Scissors Engineering Products Ltd	6908602	89.07%	0.00%	6908602	89.07%	0.00%	-

III. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. N	Particulars	Shareholding at the beginning of the year [As on 1-April-2016]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	--	--	--	--
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	--	--	--	--
	At the end of the year	--	--	--	--

IV. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. N	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 1-April-2016]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sicom Ltd.				
	At the beginning of the year	247200	3.19%	247200	3.19%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	247200	3.19%	247200	3.19%
2	Dil Vikas Finance Ltd				
	At the beginning of the year	44475	0.57%	44475	0.57%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	44475	0.57%	44475	0.57%
3	Adelphi Assests and capital Management Pvt Ltd				
	At the beginning of the year	20000	0.26%	20000	0.26%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	20000	0.26%	20000	0.26%
4	Harendra Dwarkadas Vora Kalpana Harendra Vora				
	At the beginning of the year	10000	0.13%	10000	0.13%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	10000	0.13%	10000	0.13%

Sr. N	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 1-April-2016]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Chandrashekhar Bhide Lata Bhide Kedar Bhide				
	At the beginning of the year	8300	0.11%	8300	0.11%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	8300	0.11%	8300	0.11%
6	Suren Khirwadkar				
	At the beginning of the year	8092	0.10%	8092	0.10%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	8092	0.10%	8092	0.10%
7	C. M. Bhide Kedar C. Bhide				
	At the beginning of the year	8000	0.10%	8000	0.10%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	8000	0.10%	8000	0.10%
8	Kalpana Harendra Vora Harendra Dwarkadas Vora				
	At the beginning of the year	8000	0.10%	8000	0.10%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	8000	0.10%	8000	0.10%
9	Canos Trading Pvt. Ltd.				
	At the beginning of the year	7413	0.09%	7413	0.09%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	7413	0.09%	7413	0.09%
10	Varsha Ashok Karvat Ashok Prataprai Karvat				
	At the beginning of the year	7000	0.09%	7000	0.09%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	–	–	–	–
	At the end of the year	7000	0.09%	7000	0.09%

V. Shareholding of Directors and Key Managerial Personnel:

Sr. N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 1-April-2016]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

VI. INDEBTEDNESS (Indebtedness of the Company including interest outstanding / accrued but not due for payment).

(in Rs. Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebteness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,721.55	3,984.27	-	7,705.82
ii) Interest due but not paid	6.97	184.99	-	191.96
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,728.52	4,169.26		7,897.78
Change in Indebtedness during the financial year				
* Addition	-	500.00	-	500.00
* Reduction	2,121.88	2,000.00	-	4,121.88
Net Change	-2,121.88	-1,579.62	-	-3,701.50
Indebtedness at the end of the financial year				
i) Principal Amount	1,599.67	2,404.65	-	4,004.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.24	60.58		66.82
Total (i+ii+iii)	1,605.91	2,465.23	-	4,071.14

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lac)

Sr. No	Particulars of Remuneration	Name				Total Amount
		---	---	---	---	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	- -	- -	- -	- -	- -
2	Stock Option					
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

(Rs. In Lac)

Sr. N	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Shri B.K. Chaturvedi	Shri J.S. Sabharwal	Dr. P. S. Pasricha	
	Fee for attending board committee meetings	5.50	-	3.50	9.00
	Commission				
	Others, please specify				
	Total (1)	**5.50**	**-**	**3.50**	**9.00**
2	Other Non-Executive Directors	Shri Gautam Hari Singhania	Shri H. Sunder		
	Fee for attending board committee meetings	1.50			1.50
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**1.50**	**-**	**-**	**1.50**
	Total Managerial Remuneration **Total (B)=(1+2)**				**10.50**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. N	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total (Rs. In Lac)
		-	Shri Gaurav Sainani*	Shri Sitesh Maheshwari	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	27.88	27.88
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	**-**	**27.88**	**27.88**

*appointed w.e.f January 24, 2017

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITORS' REPORT

To the Members of
Ring Plus Aqua Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Ring Plus Aqua Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with

by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in the aforesaid standalone Ind AS financial statements – Refer Note 41 to the standalone Ind AS financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2017.

   iv. The company has disclosed the holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in aforesaid standalone Ind AS financial statements - Refer Note 37 to the standalone Ind AS financial statements and the same was in accordance with the books of accounts maintained by the company.

For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E
sd/
R.P. Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date : 27th April, 2017

Annexure "A"

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE RING PLUS AQUA LIMITED ON STANDALONE IND AS FINANCIAL STATEMENTS

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The Company has carried out physical verification of all its fixed assets during the year. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. The inventory has been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, Para 3 (iii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

4. During the year, the Company has not given any loans, made investments, issued guarantees and security. Therefore, Para 3 (iv) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

6. Accordingly to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Act for any of the products manufactured by the Company. Therefore, Para 3 (vi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service tax, Duty of Customs, Duty of Excise, Value Add Tax which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Financial Year	Rs. (lacs)
The Income Tax Act, 1961	Income-tax	Income Tax Appellate Tribunal	1995-96	110.71
		Income Tax Appellate Tribunal	2008-09	8.90
		Mumbai High Court*	2003-04	9.80
		CIT (Appeals)	2006-07	48.85
		CIT (Appeals)	2007-08	8.31
		CIT (Appeals)	2011-12	23.23
		CIT (Appeals)	2012-13	12.00
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals)	2004-05	38.90

*disputed by the Income Tax Department

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks during the year. During the year, the Company has not taken any loans or borrowings from a financial institution or government or issued any debenture.

9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. The Company has not paid or provided any managerial remuneration. Therefore, Para 3 (xi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

12. The provisions of Nidhi Company are not applicable to the Company. Therefore, Para 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

13. The provision of section 177 and 188 of Act (to the extent applicable) in respect of transactions with the related parties have been complied by the Company and the details have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards in Note 44 to the Standalone Ind AS financial statements.

14. During the year, The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, Para 3 (xiv) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

15. According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act. Therefore, Para 3 (xv) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

16. The Company has not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.Therefore, Para 3 (xvi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E
sd
R.P. Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date : 27th April, 2017

Annexure "B"

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF RING PLUS AQUA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended March 31st, 2017, We have audited the internal financial controls over financial reporting of Ring Plus Aqua Limited ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

sd/
R.P. Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date : 27th April, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

	Particulars	Note No.	March 31, 2017	March 31, 2016	April 1, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	3	5,890.35	6,282.52	11,730.31
	(b) Capital work - in - progress	3	25.07	-	267.59
	(c) Other Intangible assets	4	53.48	22.13	17.73
	(d) Intangible assets under development	4	-	27.81	-
	(e) Financial Assets :				
	(i) Investments in Subsidiary & Joint Venture	5	0.14	0.14	1,061.71
	(ii) Other investments	6	22.42	22.89	22.89
	(iii) Other financial assets	7	-	106.62	155.04
	(f) Deferred tax assets (net)	8	615.72	686.08	-
	(g) Other non - current assets	9	119.03	282.15	409.36
	Total Non-Current Assets		**6,726.21**	**7,430.34**	**13,664.64**
2	**Current assets**				
	(a) Inventories	10	2,454.59	2,292.60	4,443.67
	(b) Financial Assets :				
	(i) Trade and other receivables	11	2,410.27	3,240.81	5,171.27
	(ii) Cash and cash equivalents	12	47.15	365.94	100.80
	(iii) Bank Balances Other Than (ii) above	13	3.05	3.05	3.06
	(iv) Other current financial assets	14	34.28	569.83	50.33
	(c) Current Tax Assets (Net)		-	61.14	111.28
	(d) Other current assets	15	581.54	507.36	880.37
	Total Current Assets		**5,530.88**	**7,040.73**	**10,760.79**
3	**Non-current assets classified as held for sale**	16	850.00	2,291.00	-
	TOTAL ASSETS		**13,107.09**	**16,762.07**	**24,425.43**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a) Equity share capital	17	775.67	775.67	775.67
	b) Other Equity	18	4,362.00	3,587.55	7,670.76
	Total Equity		**5,137.67**	**4,363.22**	**8,446.43**
2	**Non-current liabilities**				
	(a) Financial Liabilities				
	- Borrowings	19	730.57	1,291.11	2,920.03
	(b) Deferred tax liabilities (Net)	8	-	-	127.83
	Total Non Current Liabilities		**730.57**	**1,291.11**	**3,047.86**
3	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	20	949.67	1,681.18	3,661.69
	(ii) Trade Payables	21	3,534.38	4,042.74	5,402.26
	(iii) Other Financial Liabilities	22	2,403.25	5,068.94	3,192.45
	(b) Other current liabilities	23	79.09	87.54	278.69
	(c) Provisions	24	223.60	227.34	396.05
	(d) Current Tax Liabilities (Net)		48.86	-	-
	Total Current Liabilities		**7,238.85**	**11,107.74**	**12,931.14**
	Total Liabilities		7,969.42	12,398.84	15,979.00
	TOTAL EQUITY AND LIABILITIES		**13,107.09**	**16,762.07**	**24,425.43**
	Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 51			

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants

sd/

R. P. Baradiya
Partner

Place : Mumbai
Date : 27th April, 2017

For and on Behalf of Board of Directors

sd/
Bhuwan K. Chaturvedi
Director (DIN: 00144487)

sd/
H. Sunder
Director (DIN: 00020583)

sd/
Sitesh Maheshwari
Chief Financial Officer

sd/
Gaurav Sainani
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

	Particulars	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
I	**Income**			
	Revenue from Operations	25	16,321.33	17,352.19
	Less : Excise Duty		699.03	917.55
			15,622.30	16,434.63
	Other Income	26	335.30	317.41
	Total Income		**15,957.60**	**16,752.04**
II	**Expenses**			
	Cost of materials consumed	27	6,076.90	6,550.38
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	28	(359.54)	757.84
	Manufacturing and Operating Costs	29	4,045.96	4,392.32
	Employee benefits expense	30	2,625.15	2,921.17
	Finance costs	31	527.49	844.23
	Depreciation and amortization expense	32	694.58	783.43
	Other expenses	33	1,246.23	1,666.42
	Total expenses		**14,856.78**	**17,915.80**
III	**Profit / (loss) before exceptional items and tax**		1,100.82	(1,163.75)
IV	**Exceptional Items**	43		
	- Loss on restructuring of Forging Business Net of Tax	(i)	51.72	3,559.22
	- Loss on Long Term Investment	(ii)	-	65.57
V	**Profit / (loss) before tax**		**1,049.09**	**(4,788.54)**
VI	**Tax expense**			
	Current tax		209.23	-
	MAT Credit Entitlements		(209.23)	-
	Deferred tax charge/(credit)	8	277.88	(720.68)
VII	**Profit/(Loss) for the period**		**771.21**	**(4,067.87)**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		4.95	(23.47)
	Tax Impact Charge/(credit) on Remeasurements of net defined benefit plans	8	1.71	(8.12)
	Other Comprehensive Income		**3.24**	**(15.35)**
IX	**Total Comprehensive Income for the year (VII + VIII)**		**774.45**	**(4,083.21)**
X	**Earnings per equity share of ₹ 10 each**	36		
	Before Exceptional Item (Basic & Diluted)		10.61	(5.71)
	After Exceptional Item (Basic & Diluted)		9.94	(52.44)
	Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 51		

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants

sd/-

R. P. Baradiya
Partner

Place : Mumbai
Date : 27th April, 2017

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director (DIN: 00144487)

sd/-
H. Sunder
Director (DIN: 00020583)

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

	Particulars	For the Year Ended 31st March, 2017		For the Year Ended 31st March, 2016	
A.	**Cash Flow from Operating Activities**				
	Net Profit/(loss) before tax		1,054.04		(4,812.01)
	Add / (Deduct) :				
	a) Depreciation and Amortisation Charge	694.58		783.43	
	b) Provision for Doubtful debts, Advances and Claims	7.99		358.80	
	c) Non-cash Exceptional Items	51.26		2,891.25	
	d) (Profit)/Loss on sale of Property, Plant and Equipment	(32.26)		42.10	
	e) Dividend and interest income	(0.09)		(0.09)	
	f) Interest received	-		(9.35)	
	g) Finance Charge	527.49		844.23	
	h) Excess Provision written back (Net)	(82.08)		-	
			1,166.89		4,910.39
	Operating Cash Profit before Working Capital Changes		2,220.93		98.37
	Add/(Deduct) :				
	a) (Increase)/Decrease in Inventories	(161.99)		1,773.96	
	b) (Increase)/Decrease in Debtors & Other Receivables	1,629.69		1,249.43	
	c) Increase/(Decrease) in Trade Payables and Liabilities	(515.00)		(1,806.52)	
			952.70		1,216.87
	Cash generated from Operations		3,173.63		1,315.24
	Add / (Deduct):				
	Taxes Paid (Net)		(99.23)		(27.94)
	Net Cash Inflow/(Outflow) from Operating Activities		**3,074.40**		**1,287.30**
B.	**Cash Flow from Investing Activities**				
	a) Payments for Property, Plant & Equipment & Intangible Assets	(506.05)		(386.07)	
	b) Receipts on Sale of Property, Plant & Equipment	50.04		1,703.04	
	c) Receipts on sale of non-current asset held for sale	1,399.40		-	
	d) Dividend Received	0.09		0.09	
	e) Interest received	-		9.35	
	Net Cash Outflow from Investing Activities		**943.48**		**1,326.41**
C.	**Cash Flow from Financing Activities**				
	a) Proceeds from Borrowings	500.00		2,750.00	
	b) Repayment of Borrowings	(3,469.99)		(2,303.09)	
	c) Repayment of Short Term Borrowings	(731.51)		(1,980.52)	
	d) Interest Paid	(635.17)		(814.96)	
	Net Cash Inflow from Financing Activities		**(4,336.67)**		**(2,348.57)**
	Net Increase in Cash and Cash Equivalents (A+B+C)		(318.79)		265.14
	Add: Balance at the beginning of the financial Year		365.94		100.80
	Cash and Cash Equivalents as at the end of the Year		**47.15**		**365.94**

Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	47.15	365.94
Balance as per Statement of Cash Flows	47.15	365.94
Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 51	

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants

sd/-

R.P. Baradiya
Partner

Place : Mumbai
Date : 27th April, 2017

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director (DIN: 00144487)

sd/-
H. Sunder
Director (DIN: 00020583)

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at 1st April 2015	17	775.67
Changes in Equity Share Capital		-
As at 31st March 2016	17	775.67
Changes in Equity Share Capital		-
As at 31st March 2017	**17**	**775.67**

B. OTHER EQUITY

Particulars	Note No.	Reserves and Surplus					Total
		Capital Reserve (Government Subsidy)	Capital Reserve (On Amalgamation)	Securities Premium Reserve	Retained Earnings	General Reserves	
Balance as at 1st April, 2015	18	90.00	610.35	993.60	5,696.10	280.71	7,670.76
Profit for the year		-	-	-	(4,067.87)	-	(4,067.87)
Other Comprehensive Income for the year		-	-	-	(15.35)	-	(15.35)
Balance as at 31st March, 2016	18	90.00	610.35	993.60	1,612.88	280.71	3,587.55
Balance as at 1st April, 2016		90.00	610.35	993.60	1,612.88	280.71	3,587.55
Profit for the year		-	-	-	771.21	-	771.21
Other Comprehensive Income for the year		-	-	-	3.24	-	3.24
Balance as at 31st March, 2017	18	**90.00**	**610.35**	**993.60**	**2,387.33**	**280.71**	**4,362.00**
Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 51						

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants

sd/-

R. P. Baradiya
Partner

Place : Mumbai
Date : 27th April, 2017

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director (DIN: 00144487)

sd/-
H. Sunder
Director (DIN: 00020583)

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :

I. Background and Operations

Ring Plus Aqua Limited ('RPAL' or 'the Company'), headquartered in Mumbai, Maharashtra, India, carries on business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto and non-auto sector.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

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 and the time between 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 or non-current classification of assets and liabilities.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0.00" in the relevant notes in these financial statements. Due to rounding off, the numbers presented throughout the financial statement may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

III. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March, 2016, the company prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that is measured at fair value;
2) assets held for sale - measured at fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Contingent Liabilities and Contingent Assets

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.

Contingent Assets: Contingent Assets are neither recognised or disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

ii. Measurement of defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

(c) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. Leasehold land is amortised over of period lease. Leasehold improvements are amortised over the period of lease or estimated useful lives whichever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

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 the Statement of Profit and Loss.

(d) 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.

(e) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS the company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(f) Lease

As a lessee

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(g) Cash and Cash Equivalents

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

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(h) Trade receivables

Trade receivables are recognised at the value of sales less provision for impairment.

(i) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

(j) Investments and other financial assets

(i) 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 the Statement of 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 the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

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

* **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/ expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

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(iii) Impairment of financial assets

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

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(k) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividends on these preference shares are recognised in Statement of Profit and Loss as finance costs.

(m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

(n) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(o) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods -

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to transporter, in case of export sales place when goods are shipped onboard based on bill of lading.

Revenue from services -

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme" , etc. is accounted in the year of export.

(p) Employee benefits

Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

Defined Benefit Plans - The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The Company has an obligation to make good the shortfall, if any.

Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet date are discounted using the yield on Government Bonds.

(q) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(r) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. 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 excepted to apply when the related defferd income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

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

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Segment Reporting:

Disclosure as required under IND AS 108 "Segment Reporting" have not been disclosed since the same have been disclosed in the consolidated financial statements of the Ultimate holding Company.

(u) Research and Development

Revenue expenditure, including overheads on Research and Development, is charged out as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken as Fixed Assets and depreciation is provided on such assets as are depreciable.

(v) Project Development Expenses Pending Adjustment

Expenditure incurred during developmental and preliminary stages of the Company's new projects, are carried forward. However, if any project is abandoned, the expenditure relevant to such project is written off through the natural heads of expenses in the year in which it is so abandoned.

(w) Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoters' contribution are credited to capital reserve. Revenue Grants are recognised in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

(x) Expenditure During Construction and On New Projects

In the case of new industrial units and substantial expansion of existing units, all pre-operating expenditure specifically for the project, incurred up to the date of installation, is capitalised and added pro rata to the cost of fixed assets.

(y) Application of Securities Premium Account

Share and Debenture Issue expenses and Premium payable on redemption of Debentures, are charged, first against available balance in Securities Premium Account.

The company intends to adopt the amendments when it becomes effective. There are no other standards or amendments that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

2 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions

(a) Business Combination

All transactions qualifying as business combinations under Ind AS103, occurring before the transition date, the company has opted not to restate any business combinations before the date of transition.

(b) Deemed Cost

The Company has opted para D7 AA and accordingly considered the carrying value of property, plant and eqquipments and Intangible assets as deemed cost as at transition date.

(c) Investments in subsidiaries, joint ventures and associates

The Company has opted para D14 and D15 and accordingly considered the cost of Investments as deemed cost as at transition date.

(d) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Impairment of financial assets based on expected credit loss model.

(b) Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)

II. A. Reconciliation of Balance sheet as at March 31, 2016

B. Reconciliation of Statement of total Comprehensive Income for the year ended March 31, 2016.

III. Reconcilition of Equity as at April 1, 2015 and March 31, 2016

IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

I. Reconciliation of Balance Sheet as at April 1, 2015

	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	11,730.31	-	11,730.31
Capital work-in-progress	267.59	-	267.59
Intangible assets	17.73	-	17.73
Financial Assets			
Investment in Joint Venture & Subsidiary	1,061.71	-	1,061.71
Other Investment	8.70	14.18	22.89
Other financial assets	155.04	-	155.04
Other non-current assets	409.36	-	409.36
Current assets			
Inventories	4,443.67	-	4,443.67
Financial Assets			
Trade receivables	5,207.45	(36.18)	5,171.27
Cash and cash equivalents	100.81	-	100.81
Other Balances with Bank	3.06	-	3.06
Short Term Loans and Advances	-	-	-
Other Current financial assets	22.29	28.04	50.33
Current Tax Assets (Net)	111.27	-	111.27
Other current assets	880.37	-	880.37
Total Assets	**24,419.36**	**6.05**	**24,425.41**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	775.67	-	775.67
Other Equity	7,373.78	296.98	7,670.76
LIABILITIES			
Non-current liabilities			
Financial liablities			
Long - term borrowings	2,951.03	(31.00)	2,920.03
Deferred tax liabilities (Net)	387.75	(259.92)	127.83
Current liabilities			
Financial Liabilities			
Short Term Borrowings	3,661.69	-	3,661.69
Trade payables	5,402.26	-	5,402.26
Other financial liabilities	3,192.45	-	3,192.45
Other current liabilities	278.69	-	278.69
Provisions	396.05	-	396.05
Total Equity And Liabilities	**24,419.36**	**6.05**	**24,425.41**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

II.A Reconciliation of Balance Sheet as at March 31, 2016

	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	6,282.52	-	6,282.52
Intangible asset under development	27.81	-	27.81
Intangible assets	22.13	-	22.13
Financial Assets			
Investment in Subsidiary	0.14	-	0.14
Other Investment	8.70	14.18	22.89
Other financial assets	106.62	-	106.62
Deferred tax assets (Net)	(60.40)	746.48	686.08
Other non-current assets	282.15	-	282.15
Current assets			
Inventories	2,292.60	-	2,292.60
Financial Assets			
Trade receivables	3,248.58	(7.77)	3,240.81
Cash and cash equivalents	365.94	-	365.94
Other Balances with Bank	3.05	-	3.05
Other financial assets	571.77	(1.94)	569.83
Current Tax Assets (Net)	61.14	-	61.14
Other current assets	507.36	-	507.36
Non-current assets classified as held for sale	2,291.00	-	2,291.00
Total	**16,011.10**	**750.95**	**16,762.06**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	775.67	-	775.67
Other Equity	2,812.63	774.91	3,587.55
LIABILITIES			
Non-current liabilities			
Financial liablities			
Long - term borrowings	1,315.07	(23.96)	1,291.11
Current liabilities			
Financial Liabilities			
Short Term Borrowings	1,681.18	-	1,681.18
Trade payables	4,042.74	-	4,042.74
Other financial liabilities	5,068.94	-	5,068.94
Other current liabilities	87.54	-	87.54
Provisions	227.34	-	227.34
Total	**16,011.10**	**750.95**	**16762.06**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

II B Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations	17,352.19	-	17,352.19
Less : Excise Duty	917.55	-	917.55
	16,434.63	-	16,434.63
Other Income	318.99	(1.58)	317.41
Total	**16,753.62**	**(1.58)**	**16,752.04**
Expenses			
Cost of materials consumed	6,550.38	-	6,550.38
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	757.84	-	757.84
Manufacturing and Operating Costs	4,392.32	-	4,392.32
Employee benefits expense	2,921.17	-	2,921.17
Finance costs	837.20	7.03	844.23
Depreciation and amortization expense	783.43	-	783.43
Other expenses	1,666.42	-	1,666.42
Total	**17,908.77**	**7.03**	**17,915.80**
Profit before exceptional items and tax	(1,155.14)	(8.61)	(1,163.75)
Exceptional Items			
- Loss on restructuring of forging bussiness net of taxes	3,559.22	-	3,559.22
- Loss on Long Term investment	65.57	-	65.57
Profit before tax	**(4,779.93)**	**(8.61)**	**(4,788.54)**
Tax expense			
Deferred tax (net)	(242.25)	(478.43)	(720.68)
Profit for the year (A)	(4,537.68)	469.82	(4,067.86)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	(23.47)	-	(23.47)
Taxes on above	-	(8.12)	(8.12)
Other Comprehensive Income for the year (B)	(23.47)	(8.12)	(15.35)
Total Comprehensive Income for the year (A+B)	(4,561.15)	461.70	(4,083.21)

III A Reconcilation of Equity

Particulars	31st March, 2016	1st April, 2015
Total equity under local GAAP	3,588.30	8,149.45
Adjustments impact: Gain/ (Loss)		
Reversal of Loan Processing Charges	31.00	31.00
Unquoted equity shares SICOM Appreciation	14.19	14.19
MTM of Forward outstanding (Loss)	-	(8.14)
Deferred tax assets/(liability) created under Ind AS	746.48	259.93
Loan Processing Charges w/off	(14.53)	-
MTM of Forward outstanding	(9.72)	-
Loan Processing Charges capitalised in March 2016 (SCOB)	7.50	-
Total IND AS adjustment	**774.91**	**296.98**
Total equity under Ind AS	**4,363.21**	**8,446.43**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

III B Reconciliation of Income Statement

Particulars	31st March 2016
Profit after tax under local GAAP	(3,950.80)
Adjustments Gain/ (Loss)	
Loan Processing Charges w/off	(14.53)
MTM of Forward outstanding	(1.57)
Capital Reserve added to reserve	(610.35)
Loan Processing Charges capitalised in March 2016 (SCOB)	7.50
Deferred tax Asset	486.55
Total profit under Ind AS	**(4,083.21)**

Notes to first time adoption

A Borrowings

As per IND AS 109 required, transactions costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Accordingly the same were adjusted in Long term borrowings and to the extent attributable to Current maturity of long term debts. Under previous GAAP, these transaction costs were charged to profit and loss as and when incurred. Accordingly, borrowings as at 31 March 2016 have been reduced by ₹ (23.97) Lacs (1 April 2015- ₹ 31.00 Lacs) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31 March 2016 reduced by ₹ 7.03 Lacs as a result of the additional interest expense.

B Deferred tax

Under previous GAAP, tax expense in the consolidated financial statements was computed by performing line by line addition of tax expenses of the parent and its subsidiaries. No adjustments to tax expense was made on consolidation. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS.

C Estimated Sales Return

As per Para 17 of IND AS 18 - Revenue recognition, the management has made provision for sales return of ₹ 19.45 lacs in FY 2017 (FY 2016 ₹ Nil) based on the past experiences.

D Fair Valuation of Investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under IND AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings by ₹ Nil Lacs as at 31st March 2016 (₹ 14.19 Lacs As at 1 April, 2015).

E Investment accounted in Equity method

As per para (10) of IND AS 28 Investment in Joint Ventures and para 24 of IND AS 111 Joint Arrangements, Company has accounted equity method for Interest in Joint venture as at transition date. Accordingly all assets and liabilities pertaining to Joint ventures which were consolidated line by line in previous accounting standards were excluded. Further, adjustment to the effect of IND AS in Joint ventures accounts have been given in Consolidated accounts as at transition date.

F Fair Valuation of Forward Contracts

Ind AS 109, Forward contracts are carried at fair value with gains and losses recorded in the income statement.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 3 - Property, Plant and Equipment

Particulars	Land		Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	Capital Work-In-Progress
	Freehold	Leasehold								
Gross Carrying Amount :										
As at 1st April 2016	802.67	75.72	604.75	4,939.64	55.82	301.52	45.09	46.88	6,872.09	-
Additions	-	-	32.86	181.08	-	53.80	12.19	16.68	296.62	25.07
Adjustment	-	-	-	3.08	0.87	-	(0.87)	(3.08)	-	-
Disposals	-	-	8.62	40.99	-	20.12	-	-	69.74	-
As at 31st March 2017	**802.67**	**75.72**	**628.99**	**5,082.81**	**56.69**	**335.20**	**56.41**	**60.48**	**7,098.98**	**25.07**
Accumulated Depreciation :										
As at 1st April 2016	-	0.90	22.02	512.53	9.11	28.78	10.07	6.15	589.57	-
Depreciation charge for the year	-	0.89	23.03	524.55	6.97	40.62	11.08	11.12	618.25	-
Impairment	-	-	-	59.36	-	-	-	-	59.36	-
Disposals	-	-	1.59	36.83	-	20.13	-	-	58.55	-
As at 31st March 2017	-	1.79	43.46	1,059.62	16.08	49.27	21.15	17.27	1,208.63	-
Net Carrying Amount :										
As at 31st March 2016	**802.67**	**74.82**	**582.72**	**4,427.11**	**46.71**	**272.74**	**35.02**	**40.73**	**6,282.52**	**-**
As at 31st March 2017	**802.67**	**73.93**	**585.53**	**4,023.19**	**40.61**	**285.93**	**35.26**	**43.22**	**5,890.35**	**25.07**

Particulars	Land		Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total	Capital Work-In-Progress
	Freehold	Leasehold								
Gross Carrying Amount:										
As at 1st April 2015	**1,679.06**	**1,436.47**	**1,383.05**	**6,817.39**	**108.68**	**212.45**	**53.38**	**39.84**	**11,730.31**	**267.59**
Additions	-	-	-	397.39		94.49	2.76	15.08	509.72	5.51
Disposals	876.39	199.10	559.88	2,201.88	52.86	5.42	11.04	8.04	3,914.60	
Reclassification as held for sale		1,161.65	218.42	73.26	-	-	-	-	1,453.34	-
Capitalised during the year										(273.11)
As at 31st March 2016	802.67	75.72	604.75	4,939.64	55.82	301.52	45.09	46.88	6,872.09	-
Accumulated Depreciation :										
As at 1st April 2015	-	-	-	-	-	-	-	-	-	-
Additions	-	10.94	34.66	666.34	12.27	29.19	11.67	8.93	774.00	-
Disposals	-	1.97	7.70	149.22	3.15	0.41	1.60	2.78	166.83	-
Reclassification as held for sale	-	8.08	4.93	4.58	-	-	-	-	17.59	-
As at 31st March 2016	-	0.90	22.02	512.53	9.11	28.78	10.07	6.15	589.57	-
Net Carrying Amount:										
As at 1st April 2015	**1,679.06**	**1,436.47**	**1,383.05**	**6,817.39**	**108.68**	**212.45**	**53.38**	**39.84**	**11,730.31**	**267.59**
As at 31st March 2016	**802.67**	**74.82**	**582.72**	**4,427.11**	**46.71**	**272.74**	**35.02**	**40.73**	**6,282.52**	**-**

Notes:

A. During the year 2015-16, the Company has disposed off major portion of its Forging business on Slump sale basis. Remaining assets have been disposed off and balance are in the process of disposal. Such assets are disclosed as 'Other Assets held for disposal' at realisable value.

B. Land (Leasehold) includes :

1) Amount of ₹ 0.28 Lacs being shares helds in Sinnar Taluka Co-operative Industrial Estate (previous year ₹ 0.28 Lacs)
2) Land allotted at S.T.I.C.E.Sinnar, amount of ₹ 59.76 Lacs (previous year ₹ 59.76 Lacs), pending execution for agreement.

Terms of above Leased Assets :

Plot No	Date of Commencement of lease period	Lease Period		
		31st March, 2017	**31st March, 2016**	**1st April 2015**
1) Plot No D-3	30/10/1991	98 Years	98 Years	98 Years
2) Plot No D-4	01/01/1983	98 Years	98 Years	98 Years
3) Plot No A 16/17	02/03/1987	98 Years	98 Years	98 Years
4) Plot No A 41	31/03/1987	98 Years	98 Years	98 Years
5) Plot No 115	01/10/2007	98 Years	98 Years	98 Years
6) Plot No J5	1/06/1983	N.A.	N.A.	99 Years
7) Plot No S150-151	27/08/1981	N.A.	N.A.	99 Years
8) Plot No S152	14/06/2002	N.A.	N.A.	99 Years

C. For information on property, plant and equipment offered as security by the Company, refer to note number - 38.

D. The impairment loss relates to Plant and Machinery. The whole amount is included in Depreciation in Statement of Profit & Loss.

E. Capital work in progress mainly includes Plant & Machinery under installation.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 4 - Intangible assets

Particulars	**Computer Software**	**Intangible Asset under Development**
Gross Carrying Amount		
As at 1st April 2016	31.57	27.81
Additions	48.30	20.50
Capitalised during the year	-	48.30
As at 31st March 2017	79.88	-
Accumulated Amortisation		
As at 1st April 2016	9.44	-
Amortisation charge for the year	16.96	-
As at 31st March 2017	26.40	-
Net Carrying Amount		
As at 1st April 2016	**22.14**	-
As at 31st March 2017	**53.48**	-

Particulars	**Computer Software**	**Intangible Asset Under Development**
Gross Carrying Amount		
Balance as at 1st April 2015	17.73	**-**
Additions	13.84	27.81
As at 31st March 2016	31.57	27.81
Accumulated Amortisation		
Balance as at 1st April 2015	-	-
Amortisation charge for the year	9.44	-
As at 31st March 2016	**9.44**	**-**
Net Carrying Amount		
As at 1st April 2015	**17.73**	**-**
As at 31st March 2016	**22.13**	**27.81**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 5 - Investments in Subsidiary & Joint Venture

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Unquoted			
Investment in Joint Venture	-	-	1,061.57
Investment in Subsidiary	0.14	0.14	0.14
Total	**0.14**	**0.14**	**1,061.71**
Aggregate amount of unquoted investments	-	-	1,061.71
Aggregate amount of impairment in value of investments	-	-	Nil

Information about Investments Investments in Joint Venture & Subsidiaries

Name of the Company	Propotiion (%) of ownership		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Subsidiaries			
R & A Logistics Inc, USA			
Percentage of holding	100%	100%	100%
Face value per Share (in US$)	1	1	1
Number of Shares (in Numbers)	300	300	300
Joint venture *			
Rose Engineered Products India Private Limited	-	-	50%
Percentage of holding	-	-	50%
Face value per Share (in ₹)	-	-	10
Number of Shares (in Numbers)	-	-	10,430,631

* (Note: Investment in Joint Venture is transferred to Asset held for Sale. Refer Note 16.)

Note 6 - Other Investments

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Equity instruments - Unquoted			
Fair value through profit or loss			
SICOM Ltd.	21.72	22.19	22.19
Saraswat Co-operative Bank	0.70	0.70	0.70
Trinity Auto Component Limited	42.10	42.10	42.10
	64.52	64.99	64.99
Less : Provision for diminution in the value of investments	(42.10)	(42.10)	(42.10)
Total	**22.42**	**22.89**	**22.89**
Aggregate amount of unquoted investments	22.42	22.89	22.89
Aggregate amount of impairment in value of investments	(42.10)	(42.10)	(42.10)

Number of Equity Share :

Particulars	Dec 31, 2016	March 31, 2016	April 1, 2015
1. SICOM Ltd. (Equity Shares of ₹ 10 each)	10,000	10,000	10,000
2. Saraswat Co-operative Bank (Equity Shares of ₹ 10 each)	7,000	7,000	7,000
3. Trinity Auto Component Limited (Equity Shares of ₹ 10 each)	421,000	421,000	421,000

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 7 - Other Financial Assets - Non Current

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Considered good			
Margin money deposits	-	106.62	155.04
Total	**-**	**106.62**	**155.04**

Note 8 - Income Taxes

Tax expense recognized in the Statement of Profit and Loss

Particulars	March 31, 2017	March 31, 2016
Current tax	209.23	-
MAT Credit Entitlement	(209.23)	-
Deferred tax	277.88	(720.68)
Total income tax expense/(credit)	**277.88**	**(720.68)**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Reconciliation of effective tax rate	March 31, 2017	March 31, 2016
Profit before tax	1,054.04	(4,788.54)
Enacted income tax rate in India	34.608%	30.90%
Computed Expected Tax Expense	364.78	(1,479.66)
Differences due to:		
Fair Valuation	0.16	-
Provision for diminution in value of investments	-	20.26
Expenses/Losses Disallowed	28.22	717.60
Tax Paid at Lower Rates	(55.60)	-
Rate Differences	(59.68)	21.12
Total income tax expense/(credit)	**277.88**	**(720.68)**

Movement Deferred tax (assets)/liabilities during the year ended March 31, 2017 :

Particulars	As at 1st April, 2016	(Credit)/charge in Statement of Profit and Loss	(Credit)/ charge in Other Comprehensive Income	As at 31st March, 2017
Provision for Doubtful Debts & Other Employment Benefits	(484.37)	(14.98)	1.71	(497.64)
Depreciation	602.11	21.69	-	623.80
Unabsorbed Business Losses & Depreciation	(527.70)	189.12	-	(338.59)
Carried Forward capital Losses	(223.62)	86.90	-	(136.72)
Fair value gains/losses	4.84	(4.84)	-	-
Deferred Tax Liability/(Asset) excluding MAT Credit Entitlement	(628.74)	277.88	1.71	(349.15)
MAT Credit Entitlements	(57.34)	(209.23)	-	(266.57)
Deferred Tax Liability/(Asset) including MAT Credit Entitlement	**(686.08)**	**68.65**	**1.71**	**(615.72)**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Movement Deferred tax (assets)/liabilities during the year ended March 31, 2016 :

Particulars	As at 1st April, 2015	(Credit)/charge in Statement of Profit and Loss*	(Credit)/ charge in Other Comprehensive Income	As at 31st March, 2016
Provision for Doubtful Debts & Other Employment Benefits	(521.50)	45.25	(8.12)	(484.37)
Depreciation	966.60	(364.49)	-	602.11
Unabsorbed Business Losses & Depreciation	(267.70)	(260.00)	-	(527.70)
Carried Forward capital Losses	-	(223.62)	-	(223.62)
Fair value gains/losses	7.77	(2.93)	-	4.84
Deferred Tax Liability/(Asset) excluding MAT Credit Entitlement	185.17	(805.78)	(8.12)	(628.74)
MAT Credit Entitlements	(57.34)	-	-	(57.34)
Deferred Tax Liability/(Asset) including MAT Credit Entitlement	127.83	(805.78)	(8.12)	(686.08)

** Note : ₹ 85.10 lacs deferred tax asset is netted off against Exceptional Items in previous year 2015-16.*

Note 9 - Other non - current assets

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital advances	21.63	11.85	30.90
Security Deposits with Government authorities	-	11.69	30.43
VAT Receivable :			
- Considered Good	97.41	258.61	348.03
- Considered Doubtful	67.55	90.71	98.87
Less: Provision for Doubtful VAT Recievable	(67.55)	(90.71)	(98.87)
Total	**119.03**	**282.15**	**409.36**

Note 10 - Inventories

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Raw Materials	715.03	876.32	1,329.12
Work-in-progress	267.80	315.80	650.75
Finished goods	403.33	112.78	1,388.34
Finished goods - in Transit	850.70	740.06	570.94
Stores and Spares	217.72	247.63	504.53
Total	**2,454.59**	**2,292.60**	**4,443.67**

Note :

a) Inventories valuing ₹ 282.34 lacs (March 31, 2016: ₹ 107.68 lacs and April 1, 2016: ₹ 624.87 lacs) are carried at net realisable value, being lower than cost.

b) Refer Note 38 for Inventories offered as security.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 11 - Trade receivables

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Outstanding for a period less than six months from the date they are due for payment :			
Unsecured Considered Good			
Related parties	-	9.77	19.26
Other parties	2,410.27	3,231.03	5,152.01
Unsecured Considered doubtful			
Other parties	-	-	74.14
Less: Allowance for bad and doubtful debts	-	-	(74.14)
Outstanding for a period exceeding six months from the date they are due for payment :			
Unsecured Considered doubtful			
Other parties	1,062.23	1,183.41	644.59
Less: Allowance for bad and doubtful debts	(1,062.23)	(1,183.41)	(644.59)
Total	**2,410.27**	**3,240.81**	**5,171.27**

(Refer Note 34(iii) for Credit Risk & Note 38 for Trade Receivables offered as security)

Note 12 - Cash and cash equivalents

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balances with Banks			
- In current accounts	36.45	159.16	79.94
Cheques, drafts on hand	5.96	202.66	16.74
Cash on hand	4.75	4.12	4.12
Total	**47.15**	**365.94**	**100.80**

Note 13 - Other Bank Balances

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance in Dividend Account	3.05	3.05	3.06
Total	**3.05**	**3.05**	**3.06**

Note 14 - Other financial assets - Current

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Security Deposits			
Considered Good	0.20	6.47	6.55
Considered Doubtful	0.50	0.50	0.50
Less : Allowance for Doubtful Deposits	(0.50)	(0.50)	(0.50)
Receivables From Trinity India Forgtech India Private Ltd. (on account of transfer of part of Forging Division)			
Considered Good	-	429.37	-
Considered Doubtful	-	36.30	-
Less : Allowance For Doubtful Receivables	-	(36.30)	-
Receivables from Joint Venture	-	125.41	-
Receivables from Subsidiary	-	10.52	15.74
Derivative financial instruments	34.07	(1.94)	28.04
Total	**34.28**	**569.83**	**50.33**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 15 - Other current assets

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Export benefit receivables			
- Considered Good	45.52	69.08	179.46
- Unsecured, considered doubtful	1.95	10.18	-
Less: Allowance for doubtful Export Incentive	(1.95)	(10.18)	-
Balances with Customs, Excise, etc			
- Considered Good	412.63	350.59	585.18
- Considered Doubtful	7.99	-	-
Less : Allowance for Doubtful Balance with Customs, Excise, etc	(7.99)	-	-
Advances to Suppliers	92.77	43.45	49.34
Deposits with Government Authorities	8.08	4.68	-
Prepaid expenses	18.43	39.55	38.65
Advances recoverable in cash or kind for value to be received			
Considered Good	4.11	0.02	27.74
Considered Doubtful	-	-	1,264.29
Less : Allowance for Doubtful Advances	-	-	(1,264.29)
Total	**581.54**	**507.36**	**880.37**

Note 16 - Non-current assets classified as held for sale

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
(a) Forging Business			
Land & Building	850.00	1,265.00	-
Plant & Machinery	-	30.00	-
(b) Investment in Joint Venture			
Rose Engineered Products India Pvt.Ltd.	-	996.00	-
Total	**850.00**	**2,291.00**	**-**

Notes :

(a) Forging Business :

In the F.Y. 2015-16, (w.e.f. 1st December 2015), the Company discontinued its forging business and sold the same on Slump sale basis. Majority of assets were transferred and the balance properties in the process of disposal were disclosed as 'Assets classified as held for sale' at estimated realizable value. The loss of ₹ 140.74 Lacs on estimated realisable value of the assets is recognised in the Statement of Profit and Loss under 'Exceptional Item' on the assets classified as held for sale.

During the year, out of the assets held for sale, majority of the assets were disposed off at the estimated realisable value excepting one of the Land and Building. The sale of the balance assets is expected to be completed in the coming financial year. The estimated realisable value of the asset is reassessed on 31st March 2017 based on the market research made by the management and further loss of ₹ 35 lacs is recognised in the Statement of Profit and Loss under 'Exceptional Item'.

(b) Investment in Joint Venture :

In Previous year FY. 2015-16, Pursuant to the resolution passed at the board meeting dated 21st January 2016, the Company decided to disinvest its stake in Joint Venture Company - Rose Engineered Products India Private limited and booked a loss of ₹ 65.57 lacs as f oul arise on its sale and disclosed the same as exceptional item. The investment was transfered from 'Investment' to 'Asset Held For Sale' as Investment Held for Disposal' at Fair Value.

In current year, the transaction was completed at the Fair Value w.e.f. 22nd September, 2016.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 17 - Equity Share capital

a) Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
3,00,00,000 Equity Shares of ₹ 10 each	3,000.00	3,000.00	3,000.00
Issued, subscribed and fully paid up			
77,56,671 Equity Shares of ₹ 10 each	775.67	775.67	775.67
	775.67	**775.67**	**775.67**

b) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of ₹ 10 each. Holder of Equity Shares is entilted to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaing assets of the company.

c) Reconciliation of number of shares

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares	₹ Lacs	Number of shares	
Equity Shares :				
Balance as at the beginning of the year	7,756,671	775.67	7,756,671	775.67
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance as at the end of the year	7,756,671	775.67	7,756,671	775.67

d) Shares held by Parent

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
69,08,602 Equity shares of ₹ 10/- each held by Parent (Scissors Engineering Products Ltd.)	690.86	690.86	690.86

e) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
69,08,602 shares held by Parent (Scissors Engineering Products Ltd. [89.07%]	690.86	690.86	690.86

f) During preceeding five years, the Company has issued 1,50,037 Shares of ₹ 10/- each without payment being received in cash.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 18 - Other Equity

Reserves and Surplus

Particulars	Capital Reserve (State Government Subsidy)	Capital Reserve (On Amalgamation)	Securities Premium Reserve	Retained Earnings	General Reserves	Total
Balance as at 31st March, 2015	90.00	610.35	993.60	5,696.10	280.71	7,670.76
Profit/(Loss) for the year	-	-	-	(4,067.87)	-	(4,067.87)
Other Comprehensive Income for the Year	-	-	-	(15.35)	-	(15.35)
Balance as at 31st March, 2016	90.00	610.35	993.60	1,612.88	280.71	3,587.55
Profit/(Loss) for the year	-	-	-	771.21	-	771.21
Other Comprehensive Income for the year	-	-	-	3.24	-	3.24
Balance as at 31st March, 2017	**90.00**	**610.35**	**993.60**	**2,387.33**	**280.71**	**4,362.00**

Note 19 - Borrowings

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured			
Term loans from banks	543.49	1,026.03	1,835.75
	543.49	1,026.03	1,835.75
Unsecured			
a) Interest free Deferred Sales tax payment liabilities	187.08	265.07	345.28
b) Loans and advances from Related Parties	-	-	739.00
	187.08	265.07	1,084.28
Total	**730.57**	**1,291.11**	**2,920.03**

Nature of Security for Long Term secured borrowings:

Sr No.	Particulars	March 31, 2017	March 31, 2016	April 1, 2015
	Secured Loans :			
1	**from Banks :**			
i)	HDFC Bank Ltd (Secured by way of pari-passu first charge on all moveable plant and machinery of the Company, both present and future)	-	490.37	271.75
ii)	SARASWAT CO-OP BANK LTD (Secured by way of pari-passu first charge on all plant and machinery and other moveable assets of the Company, both present and future situated at Sinnar, Nashik). Repayable in 5 quarterly installment of ₹ 25 lacs upto March 2018. Thereafter 11 quarterly installments of ₹ 50 lacs. Repayable by September 2021.	650.00	750.00	901.59
iii)	INDUSIND BANK LTD (Secured by way of exclusive charge on fixed assets funded by Indusind Bank). Repayable in 5 quarterly instalment of ₹ 1 Cr. Repayable by March 2018.	-	800.00	1,200.00
iv)	The Saraswat Co-op Bank Ltd T/L 500 lacs (Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	200.88
v)	Axis Bank Ltd. T/L 400 lacs-(Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	273.65

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Nature of Security for Long Term secured borrowings:

Sr No.	Particulars	March 31, 2017	March 31, 2016	April 1, 2015
vi)	The Saraswat Co-op Bank Ltd T/L ₹ 142.30 lacs (Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	15.00
vii)	Indusind Bank WCTL / 750 lacs (Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	656.25
	Sub-Total	**650.00**	**2,040.37**	**3,519.12**
2	**Unsecured Loans:**			
i)	Interest free Deferred Sales tax payment liabilities	265.65	345.27	419.61
ii)	Unsecured Loans from RAYMOND Ltd (@10.50%)	739.00	2,639.00	1,639.00
iii)	Unsecured Loans from RAYMOND Ltd (@10.00%)	400.00	-	-
iv)	Unsecured Loans from JK TALABOT Ltd (@10.25%)	1,000.00	1,000.00	-
	Sub-Total	**2,404.65**	**3,984.27**	**2,058.61**
	Total	**3,054.65**	**6,024.64**	**5,577.73**

(Refer Note 34 for Repayment Schedule. There is no default in repayment of Loan)

Note 20 - Borrowings

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured			
Working Capital Loan	949.67	1,681.18	3,661.69
(Working capital loan from banks is secured by hypothecation of inventories, books debts and other current assets.)			
Total	**949.67**	**1,681.18**	**3,661.69**

1. Working Capital Limits for Auto Component Business :

a) The Company has been sanctioned limit of Working Capital facilities amounting to ₹ 2370 Lacs (as 31.3.2016 & as at 1.4.2015 ₹ 2370 Lacs) which are secured by hypothecation of stocks, both present & future, consisting of raw materials, finished goods, goods in process, consumables, packing materials etc; and book debts of the Company. Utilisation of working capital facilities was ₹ 949.67 lacs (₹ 1681.18 Lacs as at 31st March, 2016 and ₹ 1844.85 Lacs as at April,1 2015).

b) In addition, the Company has also non-fund based facility of ₹ 1190 Lacs (as 31.3.2016 & as at 1.4.2015 at ₹ 1190 Lacs) is also secured by the assets as mentioned in a) above and margin money by way of Fixed deposit of ₹ Nil (as 31.3.2016 & as at 1.4.2015 ₹ Nil)

2. Working Capital Limits for Erstwhile Forging Business:

a) The Company has been sanctioned limit of Working Capital facilities amounting to ₹ NIL (₹ Nil as at March 31, 2016, As at April 1, 2015 ₹ 2,000 Lacs which were secured by hypothecation of stocks, both present & future, consisting of raw materials, finished goods, goods in process, consumables, Die & packing materials etc; and book debts of the Company). Utilisation of working capital facilities was ₹ NIL as at 31st Mar, 2016 (₹ 1,816.84 as at April 1, 2015).

b) In addition, the Company has also non-fund based facility of ₹ Nil (Previous Year ₹ 1250 Lacs) is also secured by the assets as mentioned in a) above and margin money by way of Fixed deposit of ₹ NIL as at 31st, March 2017 (₹ 106.62 lacs as at 31.3.2016 and ₹ 155.04 lacs as at April 1, 2015).

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 21 - Trade payables

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Trade payables [Refer note below**]			
Amounts due to related parties	2.69	6.96	32.86
Others	3,531.69	4,035.78	5,369.40
Total	**3,534.38**	**4,042.74**	**5,402.26**

** **DUES TO MICRO AND SMALL ENTERPRISES**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

Note 22 - Other financial liabilities

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Current maturities of long-term debt	2,317.57	4,709.57	2,626.71
Interest accrued but not due on borrowings	66.82	191.96	255.87
Unpaid dividends	2.23	2.23	2.52
Deposits from Dealers, Agents, etc.	10.49	4.95	8.03
Other payables - Creditors for Capital Goods	6.14	160.23	299.31
Total	**2,403.25**	**5,068.94**	**3,192.45**

During the year ₹ Nil (FY 2015-16 ₹ 28,434/-; F.Y. 2014-15 ₹ Nil) was due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Note 23 - Other Current liabilities

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Statutory Dues	62.29	80.34	268.98
Advance from customers	16.80	7.20	7.20
Provisions for Wealth Tax (Net)	-	-	2.51
Total	**79.09**	**87.54**	**278.69**

Note 24 - Provisions **(₹ in lacs)**

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for employee benefits :			
a) Provision for Gratuity	139.27	103.43	282.96
b) Provision for Compensated Absences	84.33	79.87	113.09
c) Severence Cost	-	44.03	-
Total	**223.60**	**227.34**	**396.05**

Note 25 - Revenue from Operations

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Sales of Goods		
- Manufactured goods	15,489.76	16,174.15
Sales of Services		
- Job Work	-	264.60
Other operating revenue		
(i) Export Incentives, etc	211.51	182.49
(ii) Process waste sale	598.01	667.25
(iii) Others	22.05	63.69
Total	**16,321.33**	**17,352.19**

Note : Based on the past experiences provision made for sales return is in FY 2017 is ₹ 19.45 lacs (FY 2016 ₹ Nil).

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 26 - Other income

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Interest income	-	9.35
Dividend income - Others	0.09	0.09
Gain on Variation in Foreign Exchange Rates (Net)	110.57	178.13
Net gain on sale of Assets	32.26	-
Provision no longer required, written back	82.08	-
Other non-operating income	110.30	129.84
Total	**335.30**	**317.41**

Note 27 - Cost of materials consumed

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Raw materials consumed	5,833.10	6,310.05
Packing Materials consumed	243.80	240.33
Total	**6,076.90**	**6,550.38**

Note 28 - Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Opening inventories		
Finished goods	852.84	1,959.17
Work-in-progress	315.80	650.75
	1,168.64	**2,609.92**
Closing inventories		
Finished goods	1,254.03	1,292.12
Work-in-progress	267.80	484.21
	1,521.83	**1,776.33**
Excise duty on increase/ (decrease) of finished goods	(6.35)	(75.75)
Total	**(359.54)**	**757.84**

Note 29 - Manufacturing and Operating Costs

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Consumption of stores and spare parts	988.75	899.82
Power and fuel	1,022.74	1,189.80
Repairs to buildings	43.60	34.74
Repairs to machinery	370.60	306.69
Other Manufacturing and Operating expenses	1,620.27	1,961.27
Total	**4,045.96**	**4,392.32**

Note 30 - Employee benefits expense

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Salaries and wages	2,359.69	2,633.37
Contribution to provident funds and other funds	117.72	113.78
Defined benefit plan expense	41.45	35.77
Workmen and Staff welfare expenses	106.29	138.25
Total	**2,625.15**	**2,921.17**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 31 - Finance costs

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Interest expense on Term Loans and Inter-Corporate Deposits	419.77	322.56
Interest expense on short term borrowings	90.28	489.44
Other borrowing costs	17.44	32.23
Total	**527.49**	**844.23**

Note 32 - Depreciation and amortization expense

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment	677.62	773.99
Amortization on Intangible assets	16.96	9.44
Total	**694.58**	**783.43**

Note 33 - Other expenses

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Insurance	67.83	62.67
Repairs & Maintainence Others	1.43	1.80
Rates and Taxes	2.59	13.40
Advertisement Expenses	-	-
Commission to selling agents	5.31	11.87
Freight, Octroi, etc	604.36	620.79
Legal and Professional Expenses (*Refer below Note)	116.00	109.87
Travelling & Conveyance	93.83	123.12
Sales Promotion expenses	0.36	8.31
Bad Debts written off	59.76	58.63
Less : Provision withdrawn	(59.76)	(47.82)
Advanced Written off	-	1,264.29
Less : Provision withdrawn	-	(1,264.29)
Provision for doubtful Debts	-	335.65
Provision for doubtful Advances	7.99	23.16
Information Technology Outsourcing Cost	26.89	25.38
Security Expenses	65.09	88.94
Director's sitting Fees	10.50	8.00
Loss on Sale of Asset	-	42.10
Loss on Fair Valuation of Investment	0.46	-
Miscellaneous Expenses	243.59	180.56
Total	**1,246.23**	**1,666.42**

*Auditors' remuneration and expenses:-

Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
- Audit Fees	10.92	10.31
- Tax Audit Fees	2.01	2.00
- Limited Review Fees	4.85	4.82
- Certification Fees	1.72	3.40
(Including Service Tax & Cess)		
- Reimbursement of out–of–pocket expenses	1.65	1.46
Total	**21.15**	**21.99**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 34 - Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

(i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Borrowings bearing variable rate of interest	1,593.16	3,697.58	7,149.82

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

Particulars	2016-2017	2015-2016
50 bp increase in interest rate - decrease in profits	(13.23)	(27.12)
50 bp decrease in interest rate - Increase in profits	13.23	27.12

(ii) Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date (Foreign currency In lacs)

Particulars	Currency	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Forward contracts to sell USD	USD	8.83	5.67	19.88
Forward contracts to sell EURO	EURO	8.60	14.49	18.71

All the derivative instruments have been acquired for hedging purposes.

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2017 (Foreign currency In lacs)

Particulars	USD	EURO	GBP	REALS	RINGGIT
Trade Receivable	-	4.16	0.04	-	-
Trade payables	0.24	0.01	-	-	-
Cash and Bank balances	0.00	0.00	0.00	0.00	0.00

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

As at 31st March 2016 (Foreign currency In lacs)

Particulars	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	5.41	-	0.05		
Trade payables	0.75	0.06	-		
Cash and Bank balances	0.00	0.00	0.00	0.00	0.00

As at 31st March 2015 (Foreign currency In lacs)

Particulars	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	5.55	7.19	0.54	-	-
Trade payables	0.31	1.37	0.23	-	-
Cash and Bank balances	0.00	0.00	0.00	0.00	0.00

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

	2016-2017		2015-2016	
Particulars	**1% Increase**	**1% decrease**	**1% Increase**	**1% decrease**
EURO	2.87	(2.87)	(0.05)	0.05
USD	(0.16)	0.16	3.09	(3.09)
GBP	0.03	(0.03)	0.05	(0.05)
Increase / (decrease) in profit or loss	2.74	(2.74)	3.09	(3.09)

(ii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the opertaing results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Companty categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

Particulars	As At 31st March 2017	As At 31st March 2016	As At 1st April 2015
Not due	2,279.02	2,776.59	2,207.24
0-3 months	120.63	422.44	1,209.36
3-6 months	10.62	41.78	1,751.15
Total	2,410.27	3,240.81	5,167.75

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Movement in provisons of doubtful debts

Particulars	**2016-2017**	**2015-2016**
Opening provision	1,183.41	718.73
Add:- Additional provision made	-	335.65
Less:- Provision write off/ reversed	(63.81)	-
Add:- Additional provision made routed through Exceptional Item	2.39	176.86
Less:- Provision utilised against bad debts	(59.76)	(47.82)
Closing provisions	1,062.23	1,183.41

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

Particulars	**As at 31st March 2017**	**As at 31st March 2016**	**As at 1st April 2015**
Variable Borrowing - Cash Credit expires within 1 year	1,420.33	688.82	708.31

Maturity patterns of borrowings

	As at 31st March,2017			
Particulars	**0-1 years**	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	2,317.57	730.57	-	3,048.14
Short term borrowings	949.67	-	-	949.67
Expected Interest payable	401.43	90.75	-	492.18
Total	**3,668.67**	**821.32**	**-**	**4,489.99**

	As at 31st March, 2016			
Particulars	**0-1 years**	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	4,709.57	1,291.11	-	6,000.68
Short term borrowings	1,681.18	-	-	1,681.18
Expected Interest payable	510.00	187.50	-	697.50
Total	**6,900.75**	**1,478.61**	**-**	**8,379.35**

	As at 31st March, 2015			
Particulars	**0-1 years**	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	2,626.71	2,920.03	-	5,546.74
Short term borrowings	3,661.69	-	-	3,661.69
Expected Interest payable	812.00	272.08	-	1,084.08
Total	**7,100.40**	**3,192.11**	**-**	**10,292.51**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Maturity patterns of Financial Liabilities

As at 31.03.2017	Overdue	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade Payables	581.06	2,596.94	356.38	-	-	3,534.38
Payables related to Capital goods	-	6.14	-	-	-	6.14
Other Financial liability (Current and Non Current)	2.23	77.31	-	-	-	79.54
Total	**583.29**	**2,680.39**	**356.38**	**-**	**-**	**3,620.06**

As at 31.03.2016	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	250.38	2,919.57	741.98	130.81	-	4,042.75
Payables related to Capital goods	42.05	118.18	-	-	-	160.23
Other Financial liability (Current and Non Current)	2.23	196.91	-	-	-	199.14
Total	**294.66**	**3,234.66**	**741.98**	**130.81**	**-**	**4,402.11**

As at 31.03.2015	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	89.13	4,400.58	789.34	123.21	-	5,402.26
Payables related to Capital goods	42.05	257.26	-	-	-	299.31
Other Financial liability (Current and Non Current)	2.52	263.91	-	-	-	266.42
Total	**133.70**	**4,921.75**	**789.34**	**123.21**	**-**	**5,968.00**

Note 35 - Capital risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's strategy is to maintain a gearing ratio within 67%. The gearing ratios were as follows:

Particulars	31st March 2017	31st March, 2016	1st April, 2015
Net Debt	4,004.32	7,705.82	9,239.42
Equity	5,137.67	4,363.22	8,446.43
Total Capital Employed	9,141.99	12,069.04	17,685.85
Gearing Ratio	44%	64%	52%

Note 36 - Earning Per Share

Particulars	2016-17	2015-16
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year (before exceptional item)	822.93	(443.08)
Profit/(Loss) for the year (after exceptional item)	771.21	(4,067.87)
Weighted average number of equity shares outstanding (in Numbers)	7,756,671	7,756,671
Basic and diluted Earnings Per Share (Before exceptional item)	10.61	(5.71)
Basic and diluted Earnings Per Share (After exceptional item) (Face value of ₹ 10 per share)	9.94	(52.44)

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 37 - Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 :

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	2.06	N.A.	2.06
Permitted receipts	N.A.	N.A.	N.A.
Permitted receipts	N.A.	N.A.	N.A.
SBNs deposited in Banks	2.06	N.A.	2.06
Closing cash in hand as on 30.12.2016	NIL	N.A.	NIL

Note 38 - Assets offered as security

The carrying amounts of assets offered as security for current and non-current borrowings are:

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current Assets			
Financial Assets			
Second Pari Passu Charge			
Trade receivables	2,410.27	3,240.81	5,171.27
Inventories	2,454.59	2,292.60	4,443.67
Total Current assets offered as security	**5,543.92**	**5,543.92**	**9,630.68**
Non Current Assets			
First Pari Passu Charge			
Furniture, fittings and equipment	40.61	46.71	108.68
Plant and Machinary	4,023.19	4,427.11	6,817.39
Others	364.41	348.49	305.67
Total non-current assets offered as security	**4,428.22**	**4,822.31**	**7,231.74**
Total assets offered as security	**9,972.15**	**10,366.23**	**16,862.42**

Note 39 - Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Contingent Liabilities			
Claims against the Company not acknowledged as debts in respect of past disputed liabilities.	169.97	164.65	159.34
Sales Tax	11.87	11.87	11.87
Disputed Income Tax (excluding Interest)	156.96	156.96	144.96
Disputed Excise Duty	41.81	46.40	46.40
Total	**380.61**	**379.88**	**362.57**

Wage settlement :

Company have two manufacturing facilities at Sinnar, Nashik viz. Starter Gear Division (SGD) & Shaft Bearing Division (SBD). Both the facilities have Workmen Union. Wage agreement for both the facilities has expired in September 2015 and the discussions/ negotiations with Union are in progress. Matter of SGD has been referred to Conciliation officer & in case of SBD it is with Industrial Tribunal. Company has made provisions towards liability arising on wage settlement on the basis of trend, similar settlements the vicinity, other factors. The provision made in the books are adequate hence no contingent liability is disclosed.

Note 40 - Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31 March, 2017	31 March, 2016	1 April, 2015
Property, plant and equipment	114.73	81.97	114.57
Less: Capital advances	21.62	11.85	30.90
Net Capital commitments	**93.11**	**70.12**	**83.67**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 41 - The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements the Company does not reasonable expect the outcome of these proceedings to have a material impact on its financial statements.

Note 42 - Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the cariving amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March 2017

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total				
Financial Assets											
Investments in Joint Venture & Subsidiary	0.14	-	0.14	-	-	-	-	-	-	0.14	0.14
Other Investment	22.42	-	22.42	-	21.72	-	21.72	-	0.70	-	22.42
Other Financial Assets	-	34.28	34.28	-	34.07	-	34.07	-	0.20	-	34.28
Trade receivable	-	2,410.27	2,410.27	-	-	-	-	-	2,410.27	-	2,410.27
Cash and Cash equalents	-	47.15	47.15	-	-	-	-	-	47.15	-	47.15
Other Bank Balance	-	3.05	3.05	-	-	-	-	-	3.05	-	3.05
	22.56	**2,494.76**	**2,517.31**	**-**	**55.79**	**-**	**55.79**	**-**	**2,461.38**	**0.14**	**2,517.31**
Financial Liabilities											
Borrowings	730.57	949.67	1,680.24	-	-	-	-	-	1,680.24	-	1,680.24
Other Financial Liabilities	-	2,403.25	2,403.25	-	-	-	-	-	2,403.25	-	2,403.25
Trade Payables	-	3,534.38	3,534.38	-	-	-	-	-	3,534.38	-	3,534.38
	730.57	**6,887.30**	**7,617.88**	**-**	**-**	**-**	**-**	**-**	**7,617.88**		**7,617.88**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Financial Assets and Liabilities as at 31st March 2016

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total				
Financial Assets											
Investments in Joint Venture & Subsidiary	0.14	-	-	-	-	-	-	-	-	0.14	0.14
Other Investment	22.89	-	22.89	-	21.72	-	21.72	-	1.17	-	22.89
Other Financial Assets	106.62	569.83	676.46	-	28.04	-	28.04	-	648.42	-	676.46
Trade receivable	-	3,240.81	3,240.81	-	-	-	-	-	3,240.81	-	3,240.81
Cash and Cash equalents	-	365.94	365.94	-	-	-	-	-	365.94	-	365.94
Other Bank Balance	-	3.05	3.05	-	-	-	-	-	3.05	-	3.05
	129.65	**4,179.63**	**4,309.14**	**-**	**49.76**	**-**	**49.76**	**-**	**4,259.38**	**0.14**	**4,309.28**
Financial Liabilities											
Borrowings	1,291.11	1,681.18	2,972.28	-	-	-	-	-	2,972.28	-	2,972.28
Other Financial Liabilities		5,068.94	5,068.94	-	-	-	-	-	5,068.94	-	5,068.94
Trade Payables		4,042.74	4,042.74	-	-	-	-	-	4,042.74	-	4,042.74
	1,291.11	**10,792.86**	**12,083.96**	**-**	**-**	**-**	**-**	**-**	**12,083.96**		**12,083.96**

Financial Assets and Liabilities as at 1st April, 2015

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total				
Financial Assets											
Investments in Joint Venture & Subsidiary	1,061.71	-	1,061.71	-	-	-	-	-	-	1,061.71	1,061.71
Other Investment	22.89	-	22.89	-	22.19	-	22.19	-	0.70	-	22.89
Other Financial Assets	155.04	50.33	205.37	-	(1.94)	-	(1.94)	-	207.31	-	205.37
Trade receivable	-	5,171.27	5,171.27	-	-	-	-	-	5,171.27	-	5,171.27
Cash and Cash equalents	-	100.80	100.80	-	-	-	-	-	100.80	-	100.80
Other Bank Balance	-	3.06	3.06	-	-	-	-	-	3.06	-	3.06
	1,239.63	**5,325.47**	**6,565.10**	**-**	**20.24**	**-**	**20.24**	**-**	**5,483.15**	**1,061.71**	**6,565.10**
Financial Liabilities											
Borrowings	2,920.03	3,661.69	6,581.72	-	-	-	-	-	6,581.72		6,581.72
Other Financial Liabilities	-	3,192.45	3,192.45	-	-	-	-	-	3,192.45		3,192.45
Trade Payables	-	5,402.26	5,402.26	-	-	-	-	-	5,402.26		5,402.26
	2,920.03	**12,256.40**	**15,176.43**	**-**	**-**	**-**	**-**	**-**	**15,176.43**	**-**	**15,176.43**

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Investments in Joint Venture & Subsidiary	0.14	0.14	0.14	0.14	1,061.71	1,061.71
Non-Current Investment	22.42	22.42	22.89	22.89	22.89	22.19
Other Financial Assets	34.28	34.28	620.38	28.04	207.31	(1.94)
Trade receivable	2,410.27	2,410.27	3,240.81	3,240.81	5,171.27	5,171.27
Cash and Cash equalents	47.15	47.15	365.94	365.94	100.80	100.80
	2,514.12	**2,514.12**	**4,250.01**	**3,657.67**	**5,502.27**	**5,292.32**
Financial Liabilities						
Borrowings	1,680.24	1,680.24	2,972.28	2,972.28	6,581.72	6,581.72
Other Financial Liabilities	2,403.25	2,403.25	5,068.94	5,068.94	3,192.45	3,192.45
Trade Payables	3,534.38	3,534.38	4,042.74	4,042.74	5,402.26	5,402.26
	7,617.88	**7,617.88**	**12,083.96**	**15,741.63**	**20,678.70**	**20,468.74**

Basis of Fair Valuation :

Above financial Assest and Liabilities are given at carrying cost

Investment in Shares of SICOM is valued at intrinsic value of SICOM's shares, The same is routed through Statement of Profit & Loss.

Derivative Financial Instruments are carried at Mark to Market.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 43 - Note on Discontinued Operation :

(i) During the previous year (w.e.f. 1st December 2015), the Company had discontinued its forging business and sold the same on Slump sale basis. Majority of assets had been transferred and balance immoveable properties are in the process of disposed-off and has disclosed as 'Assets held for Sale' at fair value.

The loss arising on restructuring of forging business of ₹ 3559.82 lacs had been disclosed as 'Exceptional Item' in Statement of Profit and Loss for the previous year.

The carrying amounts of the total assets to be disposed of and the total liabilities to be settled, attributable to the discontinued operation – Forging Business is as under :

Particulars	As at March 31, 2016
LIABILITIES :	
Current liabilities :	
(a) Trade Payables	237.39
(b) Other Current Liabilities	2,250.95
(c) Short-Term Provisions	44.03
Total	**2,532.37**
ASSETS :	
Non-Current Assets :	
(a) Non-Current Investments	0.5
(b) Long-term loans and advances	17.07
(c) Other Non-Current Assets	284.06
Current Assets :	
(a) Trade receivables	11.29
(b) Cash and Bank balances	70.09
(c) Short-Term Loans and Advances	43.22
(d) Other Current Assets	**1,736.44**
Total	**2,162.67**

The amounts of revenue and expenses in respect of the ordinary activities attributable to the discontinued operation – Forging Business is as under :

Particulars	For the half year ended 30th September, 2015
I **Revenue From Operations (Gross)**	3,738.37
Less: Excise Duty	244.90
	3,493.47
II **Other Income**	21.08
III **Total Revenue (I + II)**	**3,514.55**
Expenses:	
- Cost of materials consumed	1,297.97
- Manufacturing and Operating Costs	936.50
- Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	607.65
- Employee benefits expense	696.15
- Finance costs	200.21
- Depreciation	184.20
- Other expenses	303.03
IV **Total Expenses**	**4,225.71**
V **Profit Before Exceptional and Extraordinary Items and Tax (III-IV)**	**(711.16)**

In the current financial year, a further loss of ₹ 51.72 lacs is booked on the remaining assets of the erstwhile forging business and is disclosed as 'Exceptional Items'.

(ii) In the previous year, Pursuant to the resolution passed at its board meeting held on 21st January 2016, the Company had decided to disinvest its stake in Joint Venture Company - Rose Engineered Products India Private limited. The loss of ₹ 65.57 lacs as would arise on its sale had been disclosed as 'Exceptional Item' in Statement of Profit and Loss for the previous year as 'Exceptional Items'. The transaction is completed in the current financial year at the Fair Value w.e.f. 22nd September, 2016.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 44 - Related parties disclosures:

A. Relationships:

(1) Where control exists.

(a) Holding Company
- Scissors Engineering Products Limited

Ultimate holding Company
- Raymond Limited

(b) Subsidiary Company
- R & A Logistics Inc., U.S.A.

(c) Fellow Subsidiary Companies
- Pashmina Holdings Limited
- Everblue Apparel Limited
- Jaykayorg AG
- Raymond (Europe) Limited
- JK Files (India) Limited
- Colorplus Fashions Limited
- Silver Spark Apparel Limited
- Celebrations Apparel Limited
- Raymond Woollen Outerwear Limited
- Dress Master Apparel Private Limited (formerly known as Robot Systems Private Limited)
- JK Talabot Limited
- Raymond Apparel Limited
- Raymond Luxury Cottons Limited (formerly known as Raymond Zambaiti Limited)

(d) Other Related Parties
- J. K. Helene Curtis Ltd.

(2) Joint Venture:
- Rose Engineered Products India Private Limited (Upto 22nd September 2016)

(3) Key Management Personnel:
- Mr. Gautam Hari Singhania – Director
- Mr. H. Sunder – Director
- Mr. Bhuwan Kumar Chaturvedi – Director
- Mr. Jagmeet Singh Sabharwal – Director
- Mr. Parvinder Singh Pasricha – Director
- Mr. Sitesh Maheshwari – C.F.O.
- Mr. Gaurav Sainani– Company Secretary

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

B. Transactions carried out with related parties referred in A above, in the ordinary course of business:

Nature of transactions	J.K. Files (I) Ltd.	Raymond Ltd.	R & A Logistics Inc., USA	Rose Eng. Products India Pvt. Ltd.	J.K. Helene Curtis Ltd.	Scissors Engineeering Products Ltd	JK Talabot Ltd	Key Management personnel & their relatives
Sales								
Goods and Material	-	-	-	19.79	-	-	-	-
	(-)	(-)	(-)	(99.28)	(-)	(-)	(-)	(-)
Export Incentive License	-	-	-	-	-	-	-	-
	(5.02)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Purchases								
Goods and Material	2.76	2.04	-	-	-	-	-	-
	(1.96)	(-)	(-)	(-)	(0.24)	(-)	(-)	(-)
Fixed Assets	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Export Incentive License	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Expenses								
Remuneration	78.14	-	-	-	-	-	-	-
of deputed employees	(56.04)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Managerial Remuneration	-	-	-	-	-	-	-	42.38
	(-)	(-)	(-)	(-)	-	-	-	(47.07)
Reimbursement of Expenses	4.58	2.15	-	-	-	-	-	-
	(-)	(1.69)	(-)	(-)	(-)	(6.87)	(-)	(-)
Interest Paid	-	154.50	-	-	-	-	102.50	-
	(-)	(224.96)	(-)	(-)	(-)	(-)	(44.51)	(-)
Income								
Interest	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Rent and other service	-	0.22	-	76.29	-	-	-	-
charges	(-)	(-)	(-)	(120.00)	(-)	(-)	(-)	(-)
Receipt								
Loan Received(ICD)	-	500.00	-	-	-	-	-	-
	(-)	(1,700.00)	(-)	(-)	(-)	(-)	(1,032.00)	(-)
Payment								
ICD	-	2,000.00	-	-	-	-	-	-
	(-)	(700.00)	(-)	(-)	(-)	(-)	(32.00)	(-)
Investment-Others	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Other Receipts								
Loan repaid	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Deputation of staff	-	-	-	3.25	-	-	-	-
	(-)	(-)	(-)	(55.94)	(-)	(-)	(-)	(-)
Management Fees	-	-	3.35	-	-	-	-	-
	(-)	(-)	(3.96)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	-	-	-	-	-
	(-)	(-)	(6.56)	(-)	(-)	(-)	(-)	(-)
Outstanding								
Payable	2.69	1,199.50	-	-	-	-	1,000.00	-
	(-)	(2,866.14)	(-)	(-)	(-)	(6.87)	(1,000.00)	(-)
Receivable	-		3.35	-	-	-	-	-
	(-)	(-)	(10.52)	(135.18)	(-)	(-)	(-)	(-)

Previous year figures are in brackets

Notes:

(i) Related parties have been identified by the Management and relied upon by the auditors.

(ii) No amount has been provided for/written off/written back, pertaining to related parties.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 45 - Key Management Personnel for the year ended 31st March, 2017

Nature of transactions	Shri Sitesh Maheshwari – CFO	B.K. Chaturvedi - Director	Dr. P.S. Pasricha – Director	Shri Gautam Hari Singhania – Director	Total
Expenses :					
Remuneration	27.88	-	-	-	27.88
	(27.07)	-	-	-	(27.07)
Retainers Fees	-	4.00	-	-	4.00
	-	(12.00)	-	-	(12.00)
Directors Fees	-	5.50	3.50	1.50	10.50
	-	(4.50)	(2.50)	(1.00)	(8.00)

Note :- Figures in brackets represents previous year's numbers

Note 46 - Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2017, 2016 and 1st April, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes:

DEFINED BENEFIT PLANS :

A. Balance Sheet

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Present value of plan liabilities	620.88	567.04	490.45
Fair value of plan assets	481.61	463.97	446.32
Plan liability net of plan assets	139.27	103.07	44.13

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2016	463.97	567.04	103.07
Current service cost	-	33.16	33.16
Employee contributions	-	-	-
Return on plan assets excluding amounts included in net	7.78	-	(7.78)
finance income/cost	-	-	-
Interest cost	-	45.65	45.65
Interest income	37.35	-	(37.35)
assumptions	-	33.62	33.62
Actuarial (gain)/loss arising from experience adjustments	-	(30.78)	(30.78)
Employer contributions	0.31	-	(0.31)
Benefit payments	(27.80)	(27.80)	-
As at 31st March 2017	**481.61**	**620.88**	**139.27**

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2015	446.32	490.45	44.13
Current service cost	-	32.33	32.33
Employee contributions	-	-	-
Return on plan assets excluding amounts included in net	(11.59)	-	11.59
finance income/cost	-	-	-

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
Interest cost	-	38.26	38.26
Interest income	34.81	-	(34.81)
Actuarial (gain)/loss arising from changes in demographic	-	-	-
assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial	-	-	-
assumptions	-	(14.40)	(14.40)
Actuarial (gain)/loss arising from experience adjustments	-	26.29	26.29
Employer contributions	0.30	-	(0.30)
Benefit payments	(5.88)	(5.88)	-
As at 31st March 2016	463.97	567.04	103.07

C. Statement of Profit and Loss

Particulars	As at 31st March, 2017	As at 31st March, 2016
Employee Benefit Expenses:		
Current service cost	33.16	32.33
Total	33.16	32.33
Finance cost/(income)	8.30	3.44
Net impact on the Profit / (Loss) before tax	41.45	35.77
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net	(7.78)	11.59
Actuarial gains/(losses) on obligation for the Period	2.84	11.88
Net impact on the Other Comprehensive Income before tax	**(4.95)**	**23.47**

D. Defined benefit plans Assets

Particulars	As at 31st March, 2017	As at 31st March, 2016
Insurance Fund	481.61	463.97

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

Particulars	As at 31st March, 2017	As at 31st March, 2016
Financial Assumptions		
Discount rate	7.47%	8.05%
Salary Escalation Rate	7.50%	7.50%
Number of Active Members	517.00	527.00
Per Month Salary For Active Members	63.77	63.78
Weighted Average Duration of the Projected Benefit Obligation	11	12

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table Mortality in Retirement : LIC Buy-out Annuity Rates & UK Published PA (90) Annuity Rates suitably adjusted for Indian Lives.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Current Year	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	(121.18)	(56.33)	64.85
Salary Escalation Rate	121.00	64.19	(56.81)
Employee Turnover	(0.93)	(0.45)	0.47

Previous Year	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	(113.66)	(52.79)	60.87
Salary Escalation Rate	114.10	60.60	(53.50)
Employee Turnover	4.46	2.10	(2.36)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

Year ending 31 March,	Amount
2018	19.79
2019	24.29
2020	22.02
2021	28.13
2022	37.99
Thereafter	279.01

The weighted average duration of the defined benefit obligation is 11 years (2016- 12 year)

Note 47 - Imports:

Value of imports calculated on C. I. F. basis in respect of -

Particulars	2016-17	2015-16
(a) Capital Goods	9.36	81.91
(b) Raw Material & Components	221.55	317.14
(c) Consumables	13.00	0.38
TOTAL	**243.91**	**399.43**

Note 48 - Expenditure in Foreign Currency on account of:

Particulars	2016-17	2015-16
(a) Commission	7.78	2.58
(b) Travelling	5.40	13.94
(c) Others	21.91	62.69

Note 49 - Earnings in Foreign Currency:

Particulars	2016-17	2015-16
(a) Exports of goods calculated on FOB basis	9190.58	7594.77
(b) Management fees received / accrued	3.35	3.96
(c) Others	-	6.56

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Note 50 - Additional information:

Particulars	2016-17	2015-16
a) Turnover		
(Net of Excise duty & trade discount)		
Bearings	3635.89	2,400.70
Gears	9634.74	9,107.58
Flex plates	1437.49	563.44
Hub	198.74	240.44
Forged Machined Components	-	2,975.14
b) Raw Material Consumed		
Steel Bars for Ring Gears//Blank	3595.7	3,563.52
Steel Sheets for Flex Plates	288.6	194.47
Bars for Shafts/Hub	635.39	508.17
Tubes for Sleeves	404.81	290.04
Components	908.59	505.70
Steel Bars for Forged Machined Components	-	1,248.15
TOTAL	**5,833.09**	**6,310.05**
c) i) Imported & Indigenous materials consumed		
Imported	221.55	294.63
	4%	5%
Indigenous	5,611.54	6015.42
	96%	95%
TOTAL	5,833.09	6310.05
	100%	100%
ii) Stores & Spare Parts		
Imported	13.00	0.38
	1%	0%
Indigenous	975.75	775.44
	99%	100%
TOTAL	988.75	775.82
	100%	100%

51 The previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 51, which form an integral part of the financial statement.

On behalf of the Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director (DIN: 00144487)

sd/-
H. Sunder
Director (DIN: 00020583)

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

Place : Mumbai
Date : 27th April, 2017

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	
1	Name of the subsidiary	R & A Logistics, Inc.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3	Reporting currency; and;	USD;
	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR/USD : 64.85
4	Share capital	13,950
5	Reserves & surplus	71,84,400
6	Total assets	1,81,42,436
7	Total Liabilities	1,09,44,086
8	Investments	Nil
9	Turnover	6,94,30,277
10	Profit/(Loss) before taxation	(21,33,755)
11	Provision for taxation – Charge/(Credit)	(4,35,910)
12	Profit/(Loss) after taxation	(16,97,846)
13	Proposed Dividend	NIL
14	% of shareholding	100%

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director
DIN: 00144487

sd/-
H. Sunder
Director
DIN: 00020583

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

Date : 27th April, 2017
Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To The Members of

Ring Plus Aqua Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **"Ring Plus Aqua Limited"** (Hereinafter referred to as "the Holding Company"), its subsidiary and a joint venture (the Holding Company, its subsidiary and joint venture together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31st, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We have not audited the financial statements of a foreign subsidiary included in the consolidated Ind AS financial statements whose financial statements reflect total assets of Rs. 181.42 lacs as at 31st March, 2017 (Rs.251.19 lacs as at March 31st, 2016), total revenues of Rs. 694.30 lacs (Rs.845.55 lacs as at March 31st, 2016) and net cash flows amounting to Rs. 3.83 lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required bySection143(3) of the Act, we report, to the extent applicable, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors of the Holding Company as on March 31st, 2017 taken on record by the Board of Directors of the Holding Company and jointly controlled company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note no. 45 to the consolidated Ind AS financial statements.
      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March, 2017.

iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 36 to the consolidated Ind AS financial information.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No: 301051E

sd/-

R.P. BARADIYA
Partner
Membership No: 44101

Place : Mumbai
Dated : 27th April, 2017

Annexure "A"

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIATED IND AS FINANCIAL STATEMENTS OF RING PLUS AQUA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended March 31st, 2017, we have audited the internal financial controls over financial reporting of Ring Plus Aqua Limited ("the Holding Company") and a jointly controlled entity which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and a joint venture incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and jointly controlled entity incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For LODHA & COMPANY
Chartered Accountants
Firm Registration No:
301051E

sd/-

R.P. BARADIYA
Partner
Membership No: 44101

Place : Mumbai
Dated : 27th April, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

	Particulars	Note	31st March 2017	31st March 2016	1st April 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	3	5,890.35	6,282.52	11,730.31
	(b) Capital work - in - progress	3	25.07	-	267.59
	(c) Other Intangible assets	4	53.48	22.13	17.73
	(d) Intangible assets under development	4	-	27.81	-
	(e) Financial Assets				
	(i) Investments accounted for using Equity Method	5	-	-	996.42
	(ii) Other investments	6	22.42	22.89	22.89
	(iii) Others financial assets	7	-	106.62	155.04
	(f) Deferred tax assets (net)	8	621.01	687.17	-
	(g) Other non - current assets	9	119.03	282.15	409.36
	Total Non-Current Assets		**6,731.36**	**7,431.28**	**13,599.35**
2	**Current assets**				
	(a) Inventories	10	2,558.88	2,452.66	4,753.94
	(b) Financial Assets				
	(i) Trade and other receivables	11	2,437.88	3,265.01	5,217.44
	(ii) Cash and cash equivalents	12	51.10	373.80	139.61
	(iii) Bank Balances Other Than (ii) above	13	3.05	3.05	3.06
	(iv) Others current financial asset	14	34.28	559.31	34.59
	(c) Assets for Current Tax (Net)		-	63.71	111.27
	(d) Other current assets	15	583.70	508.72	885.85
	Total Current Assets		**5,668.89**	**7,226.26**	**11,145.76**
3	**Non-current assets classified as held for sale**	16	**850.00**	**2,283.68**	**-**
	TOTAL ASSETS		**13,250.25**	**16,941.23**	**24,745.10**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a) Share Capital	17	775.67	775.67	775.67
	b) Other Equity	18	4,399.06	3,615.68	7,578.92
	Total Equity		**5,174.74**	**4,391.35**	**8,354.59**
2	**Non-current liabilities**				
	(a) Financial Liabilities				
	- Borrowings	19	730.57	1,291.11	2,920.03
	(b) Deferred tax liabilities (Net)	8	-	-	125.42
	Total Non Current Liabilities		**730.57**	**1,291.11**	**3,045.45**
3	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Short Term Borrowings	20	949.67	1,681.18	3,661.69
	(ii) Trade and other payables	21	3,640.47	4,126.96	5,816.19
	(iii) Other current financial liabilities	22	2,403.25	5,135.76	3,192.45
	(b) Other current liabilities	23	79.09	87.54	278.69
	(c) Short term provisions	24	223.60	227.36	396.05
	(d) Liabilities for Current Tax (Net)		48.86	-	-
	Total Current Liabilities		**7,344.94**	**11,258.80**	**13,345.06**
	Total Liabilities		**8,075.51**	**12,549.91**	**16,390.51**
	TOTAL EQUITY AND LIABILITIES		**13,250.25**	**16,941.23**	**24,745.10**
	Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 46			

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants
sd/-
R.P. BARADIYA
Partner

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director
DIN: 00144487

sd/-
H. Sunder
Director
DIN: 00020583

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

Date : 27th April, 2017
Place : Mumbai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

(₹ in lacs)

	Particulars	Note	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
I	**INCOME**			
	Revenue from Operations	25	16,431.46	17,596.96
	Less : Excise Duty		699.03	917.55
			15,732.43	16,679.40
	Other Income	26	339.27	367.37
	Total Income		**16,071.70**	**17,046.77**
II	**Expenses**			
	Cost of materials consumed	27	6,076.90	6,550.38
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	28	(303.77)	908.04
	Manufacturing and Operating Costs	29	4,045.96	4,392.32
	Employee Benefits Expense	30	2,625.15	2,921.17
	Finance costs	31	527.49	844.23
	Depreciation and amortization expense	32	694.58	783.43
	Other expenses	33	1,299.38	1,732.44
	Total expenses		**14,965.70**	**18,132.02**
III	**Profit / (loss) before exceptional items and tax (I - II)**		1,106.00	(1,085.25)
IV	Share of net profit/(loss) of Joint Ventures accounted for using the equity method		-	(7.74)
V	**Profit / (loss) before exceptional items and tax**		1,106.00	(1,092.99)
VI	Exceptional Items	38	51.72	3,559.22
VII	**Profit / (loss) before tax**		1,054.28	(4,652.21)
VIII	**Tax expense**			
	Current tax		209.23	-
	MAT Credit Entitlements		(209.23)	-
	Deferred tax charge/(credit)	8	273.68	(719.37)
IX	**Profit/(Loss) for the period (IX + XII)**		**780.60**	**(3,932.84)**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of net defined benefit plans		4.95	(23.47)
	- Tax Impact Charge/(credit) on Remeasurements of net defined benefit plans	8	1.71	(8.12)
			3.24	**(15.35)**
	Items that may be reclassified to profit or loss			
	- Gains and losses arising from translating the financial statements of a foreign operation		(0.45)	(15.05)
			(0.45)	**(15.05)**
	Total Other Comprehensive Income		**2.78**	**(30.40)**
XI	**Total Comprehensive Income for the year (IX + X)**		**783.38**	**(3,963.24)**
XII	**Earnings per equity share of ₹. 10 each :**	41		
	Before Exceptional Item (Basic & Diluted)		10.73	(4.82)
	After Exceptional Item (Basic & Diluted)		10.06	(50.70)
	Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 46		

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants
sd/-
R.P. BARADIYA
Partner

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director
DIN: 00144487

sd/-
H. Sunder
Director
DIN: 00020583

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

Date : 27th April, 2017
Place : Mumbai

Consolidated Cash Flow Statement for the year ended 31st March, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

	Particulars	For the Year Ended 31st March, 2017		For the Year Ended 31st March, 2016	
A.	**Cash Flow from Operating Activities**				
	Net Profit/(loss) before tax		1,058.77		(4,690.73)
	Add / (Deduct) :				
	a) Depreciation and Amortisation Charge	694.58		783.43	
	b) Provision for Doubtful debts, Advances and Claims	7.99		358.80	
	c) Non-cash Exceptional Items	52.19		2,112.46	
	d) (Profit)/Loss on sale of Property, Plant and Equipment	(32.26)		42.10	
	e) Dividend and interest income	(0.09)		(0.09)	
	f) Interest received	-		(9.35)	
	g) Finance Charge	527.49		844.23	
	h) Excess Provision written back (Net)	(82.08)		-	
			1,167.82		4,131.60
	Operating Cash Profit befor Working Capital Changes		2,226.60		(559.14)
	Add/(Deduct) :				
	a) (Increase)/Decrease in Inventories	(106.22)		1,890.02	
	b) (Increase)/Decrease in Debtors & Other Receivables	1,665.08		1,600.52	
	c) Increase/(Decrease) in Trade Payables and Liabilities	(618.30)		(1,722.60)	
			940.56		1,767.93
	Cash generated from Operations		3,167.15		1,208.80
	Add / (Deduct):		(96.66)		47.56
	Net Cash Inflow/(Outflow) from Operating Activities		**3,070.49**		**1,256.36**
B.	**Cash Flow from Investing Activities**				
	a) Payments for Property, Plant & Equipment & Intangible Assets	(506.05)		(386.07)	
	b) Receipts on Sale of Property, Plant & Equipment	50.04		1,703.04	
	c) Receipts on sale of non-current asset held for sale	1,399.40		-	
	d) Dividend Received	0.09		0.09	
	e) Interest received	-		9.35	
	Net Cash Outflow from Investing Activities		**943.48**		**1,326.41**
C.	**Cash Flow from Financing Activities**				
	a) Proceeds from Borrowings	500.00		2,750.00	
	b) Repayment of Borrowings	(3,469.99)		(2,303.09)	
	c) Repayment of Short Term Borrowings	(731.51)		(1,980.52)	
	d) Interest Paid	(635.17)		(814.96)	
	Net Cash Inflow from Financing Activities		**(4,336.67)**		**(2,348.57)**
	Net Increase in Cash and Cash Equivalents (A+B+C)		(322.70)		234.20
	Add: Balance at the beginning of the financial Year		373.80		139.61
	Cash and Cash Equivalents as at the end of the Year		**51.10**		**373.80**

Particulars	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement				
Cash and Cash Equivalent as per above comprise of the following				
Cash and Cash Equivalent		51.10		373.80
Balance as per Statement of Cash Flows		51.10		373.80
Significant accounting policies and accompanying notes form an integral part of financial statements	1 to 46			

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants
sd/-
R.P. BARADIYA
Partner

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director
DIN: 00144487

sd/-
H. Sunder
Director
DIN: 00020583

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

Date : 27th April, 2017
Place : Mumbai

Statement of Changes in Equity for the year ended 31st March, 2017

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Note	Amount
As at 1st April 2015	**17**	**775.67**
Changes in Equity Share Capital		-
As at 31st March 2016	**17**	**775.67**
Changes in Equity Share Capital		-
As at 31st March 2017	**17**	**775.67**

B. OTHER EQUITY

Particulars	Note	Reserves and Surplus						Total
		Capital Reserve (State Government Subsidy)	Capital Reserve (On Amalgamation)	Securities Premium Reserve	Retained Earnings		General Reserves	
					Reserves & Surplus of Joint Venture	Retained Earnings		
Balance as at 1st April, 2015	**18**	**90.00**	**144.97**	**993.60**	**(65.15)**	**6,134.79**	**280.71**	**7,578.92**
Profit for the year		-	-	-	-	3,932.84)	-	(3,932.84)
Other Comprehensive Income for the year		-	-	-	-	(30.40)	-	(30.40)
Total Comprehensive Income for the year		-	-	-	-	(3,963.24)	-	(3,963.24)
Transfer to retained earnings		-	-	-	-	7.74	-	7.74
Balance as at 31st March, 2016	**18**	**90.00**	**144.97**	**993.60**	**(72.89)**	**2,179.29**	**280.71**	**3,615.68**
Balance as at 1st April, 2016		90.00	144.97	993.60	(72.89)	2,179.29	280.71	3,615.68
Profit for the year		-	-	-	-	780.60	-	493
Other Comprehensive Income for the year		-	-	-	-	2.78	-	-
Total Comprehensive Income for the year		-	-	-	-	783.38	-	493
Transfer to retained earnings		-	-	-	72.89	(72.89)	-	-
Balance as at 31st March, 2017	**18**	**90.00**	**144.97**	**993.60**	**-**	**2,889.78**	**280.71**	**4,399.06**
Significant accounting policies and accompanying notes form an integral part of financial statements	**1 to 46**							

As per our attached Report of even date
FOR LODHA & COMPANY
Chartered Accountants
sd/-
R.P. BARADIYA
Partner

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director
DIN: 00144487

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Sitesh Maheshwari
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Gaurav Sainani
Company Secretary

Date : 27th April, 2017
Place : Mumbai

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :

(annexed to and forming part of the Accounts for the year ended 31st March, 2017)

I. Background and Operations

Ring Plus Aqua Limited ('RPAL' or 'the Company'), headquartered in Mumbai, Maharashtra, India, carries on business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto and non-auto sector.

II. Basis of Preparation of Financial Statements

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

All assets and liabilities have been classified as current or non current as per the group 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 and the time between 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 or non-current classification of assets and liabilities.

Transactions and balances with values below the rounding off norm adopted by the group Company have been reflected as "0.00" in the relevant notes in these financial statements. Due to rounding off, the numbers presented throughout the financial statement may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

PRINCIPLES OF CONSOLIDATION

(i) Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

(ii) The acquisition method of accounting is used to account for business combinations by the group.

(iii) Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Deferred tax asset has been created on unrealized stock reserve.

(iv) Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(v) Changes in ownership interests.

(vi) The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

(vii) When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

IV. Significant Accounting Policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules,2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the company prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that is measured at fair value;
2) assets held for sale - measured at fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the group company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Contingent Liabilities and Contingent Assets

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 group 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.

Contingent Assets: Contingent Assets are neither recognised or disclosed in the financial statements.

ii. Measurement of defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

(c) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. 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 group 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. Leasehold land is amortised over of period lease. Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

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 the Statement of Profit and Loss.

(d) 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

(e) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method

The group amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS the group has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(f) Lease

As a lessee

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(g) Cash and Cash Equivalents

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

(h) Trade receivables

Trade receivables are recognised at the value of sales less provision for impairment.

(i) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the group.

(j) Investments and other financial assets

(i) Classification

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

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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 group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

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

* Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

* Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.
* Fair value through profit and loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The group subsequently measures all equity investments at fair value. Where the group'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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the group's right to receive payments is established.

(iii) Impairment of financial assets

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

(iv) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(k) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividends on these preference shares are recognised in Statement of Profit and Loss as finance costs.

(m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

(n) Provisions and contingent liabilities

Provisions are recognised when the group 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.

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 risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(o) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the group and specific criteria have been met for each of the group's activities as described below.

Sale of goods -

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to transporter, in case of export sales place when goods are shipped onboard based on bill of lading.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

Revenue from services -

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme" , etc. is accounted in the year of export.

(p) Employee benefits

Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

Defined Benefit Plans - The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The group has an obligation to make good the shortfall, if any.

Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet date are discounted using the yield on Government Bonds.

(q) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(r) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arrising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets 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 off set where the group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the group will pay normal income tax during the specified period.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

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

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

(t) Segment Reporting:

Disclosure as required under IND AS 108 "Segment Reporting" have not been disclosed since the same have been disclosed in the consolidated financial statements of the Ultimate holding group.

(u) Research and Development

Revenue expenditure, including overheads on Research and Development, is charged out as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken as Fixed Assets and depreciation is provided on such assets as are depreciable

(v) Project Development Expenses Pending Adjustment

Expenditure incurred during developmental and preliminary stages of the group's new projects, are carried forward. However, if any project is abandoned, the expenditure relevant to such project is written off through the natural heads of expenses in the year in which it is so abandoned.

(w) Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoters' contribution are credited to capital reserve. Revenue Grants are recognised in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

(x) Expenditure During Construction and On New Projects

In the case of new industrial units and substantial expansion of existing units, all pre-operating expenditure specifically for the project, incurred up to the date of installation, is capitalised and added pro rata to the cost of fixed assets.

(y) Application of Securities Premium Account

Share and Debenture Issue expenses and Premium payable on redemption of Debentures, are charged, first against available balance in Securities Premium Account.

The group intends to adopt the amendments when it becomes effective. There are no other standards or amendments that are not yet effective and that would be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

2 First-time adoption of Ind AS :

The Group Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions

(a) Business Combination

All transactions qualifying as business combinations under Ind AS103, occurring before the transition date, the Group has opted not to restate any business combinations before the date of transition.

(b) Deemed Cost

The Group has opted para D7 AA and accordingly considered the carrying value of property, plant and eqquipments and Intangible assets as deemed cost as at transition date.

(c) Investments in subsidiaries, joint ventures and associates

The Group has opted para D14 and D15 and accordingly considered the cost of Investments as deemed cost as at transition date.

(d) Designation of previously recognised financial instruments

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

B. Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

"Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model."

(b) Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)

II. A. Reconciliation of Balance sheet as at March 31, 2016

B. Reconciliation of Statement of total Comprehensive Income for the year ended March 31, 2016

III. Reconcilition of Equity as at April 1, 2015 and March 31, 2016

IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Group prepared in accordance with Previous GAAP.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

I Reconciliation of Balance sheet as at April 1, 2015

Particulars	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	11,729.97	0.34	11,730.31
Capital work-in-progress	267.59	-	267.59
Intangible assets	17.73	-	17.73
Financial Assets			
Investments accounted for using Equity method	-	996.42	996.42
Other Investments	8.70	14.18	22.89
Other financial assets	155.04	-	155.04
Other non-current assets	409.36	-	409.36
Current assets			
Inventories	4,753.94	-	4,753.94
Financial Assets			
Trade receivables	5,217.44	-	5,217.44
Cash and cash equivalents	139.60	-	139.60
Other Bank Balances	3.06	-	3.06
Other Current financial assets	42.73	(8.14)	34.59
Current Tax Assets (Net)	111.27	-	111.27
Other current assets	885.85	-	885.85
TOTAL	**23,742.30**	**1,002.80**	**24,745.10**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	775.67	-	775.67
Other Equity	7,276.15	302.77	7,578.92
LIABILITIES			
Non-current liabilities			
Financial liablities			
Long - term borrowings	2,951.03	(31.00)	2,920.03
Deferred tax liabilities (Net)	387.75	(262.33)	125.42
Current liabilities			
Financial Liabilities			
Short Term Borrowings	3,661.69	-	3,661.69
Trade payables	5,826.16	(9.97)	5,816.19
Other financial liabilities	3,192.45	-	3,192.45
Other current liabilities	278.69	-	278.69
Provisions	396.04	-	396.04
TOTAL	**24,745.63**	**(0.53)**	**24,745.10**

II Reconciliation of Balance Sheet as at April 1, 2016

Particulars	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	6,281.82	0.70	6,282.52
Intangible assets	22.13	-	22.13
Intangible assets under development	27.81	-	27.81
Financial Assets			
Other Investments	8.70	14.18	22.89
Other Financial Assets	106.62	-	106.62
Deferred tax assets (Net)	(59.31)	746.48	687.17
Other non-current assets	282.15	-	282.15
Current assets			
Inventories	2,452.66	-	2,452.66
Financial Assets			
Trade receivables	3,265.01	-	3,265.01
Cash and cash equivalents	373.80	-	373.80
Other Bank Balances	3.05	-	3.05
Other financial assets	561.25	(1.94)	559.31
Current Tax Assets (Net)	63.71	-	63.71
Other current assets	508.72	-	508.72
Non-current assets classified as held for sale	1,295.00	988.68	2,283.68
TOTAL	**15,193.14**	**1,748.09**	**16,941.23**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Particulars	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	775.67	-	775.67
Other Equity	2,795.58	820.10	3,615.69
LIABILITIES			
Non-current liabilities			
Financial liablities			
- Borrowings	1,315.07	(23.96)	1,291.11
Current liabilities			
Financial Liabilities			
Borrowings	1,681.18	-	1,681.18
Trade payables	4,126.96	-	4,126.96
Other financial liabilities	5,135.75	-	5,135.75
Other current liabilities	87.54	-	87.54
Provisions	227.36	-	227.36
TOTAL	**16,145.09**	**796.14**	**16,941.23**

III Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations	17,547.31	49.65	17,596.96
Less : Excise Duty	917.55	-	917.55
	16,629.75	49.65	16,679.40
Other Income	368.93	(1.56)	367.37
TOTAL	**16,998.68**	**48.09**	**17,046.77**
Expenses			
Cost of materials consumed	6,550.38	-	6,550.38
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	908.04	-	908.04
Manufacturing and Operating Costs	4,392.32	-	4,392.32
Employee benefits expense	2,921.17		2,921.17
Finance costs	837.20	7.03	844.23
Depreciation and amortization expense	783.43	-	783.43
Other expenses	1,732.44		1,732.44
Total	**18,124.98**	**7.03**	**18,132.02**
Profit before exceptional items and tax	(1,126.29)	41.06	(1,085.25)
Share of Joint venture and Assosiates	-	(7.74)	(7.74)
Exceptional Items			
- Loss on restructuring of forging bussiness net of taxes	3,559.22	-	3,559.22
Profit before tax	(4,685.51)	33.32	(4,652.21)
Tax expense			
Deferred tax (net)	(240.95)	(478.42)	(719.37)
Profit for the year (A)	**(4,444.56)**	**511.73**	**(3,932.84)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurements of net defined benefit plans	-	(23.47)	(23.47)
- Tax Impact Charge/(credit) on Remeasurements of net defined benefit plans	-	(8.12)	(8.12)
(Sub-Total B)	-	**(15.35)**	**(15.35)**
Items that may be reclassified to profit or loss			
- Gains and losses arising from translating the financial statements of a foreign operation	-	(15.05)	(15.05)
(Sub-Total C)	-	**(15.05)**	**(15.05)**
Total Comprehensive Income for the year (A+B+C)	**(4,444.56)**	**481.33**	**(3,963.24)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

III Reconciliation of Equity

	31st March'2016	1st April'2015
Total equity under local GAAP	3,550.19	8,056.93
Adjustments impact: Gain/ (Loss)		
Reversal of Loan Processing Charges	31.00	31.00
Unquoted equity shares SICOM Appreciation	14.19	14.19
MTM of Forward outstanding (Loss)	-	(8.14)
Deferred tax assets/(liability) created under Ind AS	746.48	259.92
Loan Processing Charges w/off	(14.53)	-
MTM of Forward outstanding	(9.72)	-
Loan Processing Charges capitalised in March 2016 (SCOB)	7.50	-
Joint Venture Reserve Adjustment	65.55	-
Other Adjustment	0.70	0.70
Total IND AS adjustment	**841.16**	**297.66**
Total equity under Ind AS	**4,391.35**	**8,354.59**

Notes to first time adoption

A Borrowings

"As per IND AS 109 required, transactions costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Accordingly the same were adjusted in Long term borrowings and to the extent attributable to Current maturity of long term debts. Under previous GAAP, these transaction costs were charged to profit and loss as and when incurred.

Accordingly, borrowings as at 31st March 2016 have been reduced by ₹ (23.97) Lacs (1st April 2015- ₹ 31.00 Lacs) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31st March 2016 reduced by ₹ 7.03 Lacs as a result of the additional interest expense."

B Deferred tax

Under previous GAAP, tax expense in the consolidated financial statements was computed by performing line by line addition of tax expenses of the parent and its subsidiaries. No adjustments to tax expense was made on consolidation. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS.

C Estimated Sales Return

As per Para 17 of IND AS 18 - Revenue recognition, the management has made provision for sales return of ₹. 19.45 lacs in FY 2017 (FY 2016 ₹. Nil) based on the past experiences.

D Fair Valuation of Investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under IND AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings by Rs. Nil Lacs as at 31st March 2016 (₹. 14.19 Lacs As at 1 April, 2015).

E Investment accounted in Equity method

As per para (10) of IND AS 28 Investment inJoint Ventures and para 24 of IND AS 111 Joint Arrangements, Group has accounted equity method for Interest in Joint venture as at transition date. Accordingly all assets and liabilities pertaining to Joint ventures which were consolidated line by line in previous accounting standards were excluded. Further, adjustment to the effect of IND AS in Joint ventures accounts have been given in Consolidated accounts as at transition date.

F Fair Valuation of Forward Contracts

Ind AS 109, Forward contracts are carried at fair value with gains and losses recorded in the income statement.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

3. Property, Plant and Equipment

Particulars	Land		Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	Capital Work-In-Progress
	Freehold	Leasehold								
Gross Carrying Amount :										
As at 1st April 2016	802.67	75.72	604.75	4,939.64	55.82	301.52	45.09	46.88	6,872.09	-
Additions	-	-	32.86	181.08	-	53.80	12.19	16.68	296.62	25.07
Adjustment	-	-	-	3.08	0.87	-	(0.87)	(3.08)	-	-
Disposals	-	-	8.62	40.99	-	20.12	-	-	69.74	-
As at 31st March 2017	802.67	75.72	628.99	5,082.81	56.69	335.20	56.41	60.48	7,098.98	25.07
Accumulated Depreciation :										
	-	0.90	22.02	512.53	9.11	28.78	10.07	6.15	589.57	-
Depreciation charge for the year	-	0.89	23.03	524.55	6.97	40.62	11.08	11.12	618.25	-
Impairment	-	-	-	59.36	-	-	-	-	59.36	-
Disposals	-	-	1.59	36.83	-	20.13	-	-	58.55	-
As at 31st March 2017	-	1.79	43.46	1,059.62	16.08	49.27	21.15	17.27	1,208.63	-
Net Carrying Amount :										
As at 31st March 2016	**802.67**	**74.82**	**582.72**	**4,427.11**	**46.71**	**272.74**	**35.02**	**40.73**	**6,282.52**	**-**
As at 31st March 2017	**802.67**	**73.93**	**585.53**	**4,023.19**	**40.61**	**285.93**	**35.26**	**43.22**	**5,890.35**	**25.07**

Particulars	Land		Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total	Capital Work-In-Progress
	Freehold	Leasehold								
Gross Carrying Amount:										
As at 1st April 2015	1,679.06	1,436.47	1,383.05	6,817.39	108.68	212.45	53.38	39.84	11,730.31	267.59
Additions	-	-	-	397.39		94.49	2.76	15.08	509.72	5.51
Disposals	876.39	199.10	559.88	2,201.88	52.86	5.42	11.04	8.04	3,914.60	
Reclassification as held for sale		1,161.65	218.42	73.26	-	-	-	-	1,453.34	-
Capitalised										(273.11)
As at 31st March 2016	802.67	75.72	604.75	4,939.64	55.82	301.52	45.09	46.88	6,872.09	-
Accumulated Depreciation :										
As at 1st April 2015	-	-	-	-	-	-	-	-	-	-
Additions	-	10.94	34.66	666.34	12.27	29.19	11.67	8.93	774.00	-
Disposals	-	1.97	7.70	149.22	3.15	0.41	1.60	2.78	166.83	-
Reclassification as held for sale	-	8.08	4.93	4.58	-	-	-	-	17.59	-
As at 31st March 2016	-	0.90	22.02	512.53	9.11	28.78	10.07	6.15	589.57	-
Net Carrying Amount :										
As at 1st April 2015	**1,679.06**	**1,436.47**	**1,383.05**	**6,817.39**	**108.68**	**212.45**	**53.38**	**39.84**	**11,730.31**	**267.59**
As at 31st March 2016	**802.67**	**74.82**	**582.72**	**4,427.11**	**46.71**	**272.74**	**35.02**	**40.73**	**6,282.52**	**-**

Notes:

A. During the year 2015-16, the Company has disposed off major portion of its Forging business on Slump sale basis. Remianing assets have been disposed off and balance are in the process of disposal. Such assets are disclosed as 'Other Assets held for disposal' at realisable value.

B. Land (Leasehold) includes :

1) Amount of ₹. 0.28 Lacs being shares helds in Sinnar Taluka Co-operative Industrial Estate (pervious year ₹.0.28 Lacs)
2) Land allotted at S.T.I.C.E.Sinnar, amount of ₹ 59.76 Lacs (previous year ₹.59.76 Lacs), pending execution for agreement.

Terms of the Leased Assets :

Plot No	Date of Commencement of lease period	Lease Period 31st March, 2017	31st March, 2016	1st April 2015
1) Plot No D-3	30/10/1991	98 Years	98 Years	98 Years
2) Plot No D-4	01/01/1983	98 Years	98 Years	98 Years
3) Plot No A 16/17	02/03/1987	98 Years	98 Years	98 Years
4) Plot No A 41	31/03/1987	98 Years	98 Years	98 Years
5) Plot No 115	01/10/2007	98 Years	98 Years	98 Years
6) Plot No J5	1/06/1983	N.A.	N.A.	99 Years
7) Plot No S150-151	27/08/1981	N.A.	N.A.	99 Years
8) Plot No S152	14/06/2002	N.A.	N.A.	99 Years

C. For information on property, plant and equipment offered as security by the Company, refer to note number 42.

D. The impairment loss relates to Plant and Machinery. The whole amount is included in Depreciation in Statement of Profit & Loss.

E. Capital work in progress mainly includes Plant & Machinery under installation.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

4 Intangible assets

Particulars	Computer Software	Intangible Asset Under Development
Gross Carrying Amount :		
As at 1st April 2016	31.57	27.81
Additions	48.30	20.50
Capitalised during the year	-	48.30
As at 31st March 2017	79.88	-
Accumulated Amortisation :		
As at 31st March 2016	9.44	-
Amortisation charge for the year	16.96	-
As at 31st March 2017	**26.40**	-
Net Carrying Amount :		
As at 1st April 2016	**22.14**	**-**
As at 31st March 2017	**53.48**	**-**

Particulars	Computer Software	Intangible Asset Under Development
Gross Carrying Amount:		
Balance as at 1st April 2015	17.73	-
Addition	13.84	27.81
As at 31st March 2016	**31.57**	27.81
Accumulated Amortisation		
Balance as at 1st April 2015	-	-
Amortisation charge for the year	**9.44**	-
As at 31st March 2016	9.44	-
Net Carrying Amount:		
As at 1st April 2015	**17.73**	**-**
As at 31st March 2016	**22.13**	27.81

5 Investments in Subsidiary & Joint Venture

Particulars	31st March 2017	31st March 2016	1st April 2015
Investment in Joint Venture * Equity instruments - Unquoted Rose Engineered Products India Pvt. Ltd. (FY 2017: Nil; FY 2016: NIL, FY 2015 : 1,04,30,631 Equity Shares of Rs.10/- each)	-	-	996.42
TOTAL	**-**	**-**	**996.42**

* (Note: Investment in Joint Venture is transferred to Asset held for Sale. Refer Note 16.)

6 Other Investments

Particulars	31st March 2017	31st March 2016	1st April 2015
Trade Investment : Unquoted			
1. SICOM Ltd. (Equity Shares of Rs.10 each)	21.72	22.19	22.19
2. Saraswat Co-operative Bank	0.70	0.70	0.70
3. Trinity Auto Component Limited	42.10	42.10	42.10
	64.52	64.99	64.99
Less : Provision for diminution in the value of investmets	(42.10)	(42.10)	(42.10)
TOTAL	**22.42**	**22.89**	**22.89**
Number of Equity Shares	**31st March 2017**	**31st March 2016**	**1st April 2015**
1. SICOM Ltd.	10,000	10,000	10,000
2. Saraswat Co-operative Bank	7,000	7,000	7,000
3. Trinity Auto Component Limited	421,000	421,000	421,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

7 Other financial assets - Non Current

Particulars	31st March 2017	31st March 2016	1st April 2015
Considered good			
Margin money deposits	-	106.62	155.04
TOTAL	**-**	**106.62**	**155.04**

8 Income Tax

Tax expense recognized in the Statement of Profit and Loss

Particulars	31st March 2016	1st April 2015
Current tax	209.23	-
MAT Credit Entitlement	(209.23)	-
Deferred tax	273.68	(719.37)
Total income tax expense/(credit)	**273.68**	**(719.37)**

Reconciliation of Income tax expenses /(credit) using effective tax rate :

Enacted income tax rate in India	34.608%	30.900%
Profit before tax	1,054.28	(4,652.21)
Tax calculated at domestic tax rates applicable to profits in the respective countries	364.87	(1,437.53)
Differences due to:		
Fair Valuation	0.16	-
Provision for Unascertained liabilities (pertaining to Forging Business)		
Provision for diminution in value of investments	-	20.26
Expenses/Losses Disallowed	(28.22)	676.79
Tax Paid at Lower Rates	(55.60)	-
Rate Differences	(7.53)	21.12
Total income tax expense/(credit)	273.68	(719.37)

Movement Deferred tax assets/(liabilities) during the year ended March 31, 2017 :

Particulars	As at 1st April, 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2017
Provision for Doubtful Debts & Other Employment Benefits	(485.46)	(19.18)	1.71	(502.93)
Depreciation	602.11	21.69	-	623.80
Unabsorbed Business Losses & Depreciation	(527.70)	189.12	-	(338.59)
Carried Forward capital Losses	(223.62)	86.90	-	(136.72)
Fair value gains/losses	4.84	(4.84)	-	-
Deferred Tax Liability/(Asset) excluding MAT Credit Entitlement	(629.83)	273.68	1.71	(354.44)
Mat Credit Entitlements	(57.34)	(209.23)	-	(266.57)
Deferred Tax Liability/(Asset) including MAT Credit Entitlement	**(687.17)**	**64.45**	**1.71**	**(621.01)**

Movement Deferred tax assets/(liabilities) during the year ended March 31, 2016 :

Particulars	As at 1st April, 2015	(Credit)/charge in Statement of Profit and Loss*	Credit/(charge in Other Comprehensive Income	As at 31st March, 2016
Provision for Doubtful Debts & Other Employment Benefits	(523.90)	46.56	(8.12)	(485.46)
Depreciation	966.60	(364.49)	-	602.11
Unabsorbed Business Losses & Depreciation	(267.70)	(260.00)	-	(527.70)
Carried Forward capital Losses	-	(223.62)	-	(223.62)
Fair value gains/losses	7.77	(2.93)	-	4.84
Deferred Tax Liability/(Asset) excluding MAT Credit Entitlement	182.76	(804.47)	(8.12)	(629.83)
Mat Credit Entitlements	(57.34)	-	-	(57.34)
Deferred Tax Liability/(Asset) including MAT Credit Entitlement	**125.42**	**(804.47)**	**(8.12)**	**(687.17)**

* Note : Rs. 85.10 lacs deferred tax asset is netted off against Exceptional Items in previous year 2015-16.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

9 Other non-current assets

Particulars	31st March 2017	31st March 2016	1st April 2015
Capital advances	21.63	11.85	30.90
Security Deposits with customs, port trust, excise and other govt. authorities	-	11.69	30.43
VAT Receivable			-
- Considered Good	97.41	258.61	348.03
- Considered Doubtful	67.55	98.87	98.87
Less: Provision for Doubtful VAT Recievable	(67.55)	(98.87)	(98.87)
TOTAL	**119.03**	**282.15**	**409.36**

10 Inventories

Particulars	31st March 2017	31st March 2016	1st April 2015
Raw Materials	715.03	876.32	1,329.12
Work-in-progress	267.80	315.80	650.75
Finished goods	296.63	242.20	1,764.94
Finished goods - in Transit	1,079.46	803.06	598.75
Less : Unrealised gain on stock transfer	(17.77)	(32.36)	(94.15)
Stores and Spares	217.72	247.63	504.53
TOTAL	**2,558.88**	**2,452.66**	**4,753.94**

Note :

a) Inventories valuing Rs. 282.34 lacs (March 31, 2016: Rs. 107.68 lacs and April 1, 2016: Rs. 624.87 lacs) are carried at net realisable value, being lower than cost.

b) Refer Note 42 for Inventories offered as security.

11 Trade receivables

Paticulars	31st March 2017	31st March 2016	1st April 2015
Outstanding for a period less than six months from the date they are due for payment			
Unsecured Considered Good			
Related parties	-	9.77	19.26
Other parties	2,437.88	3,255.24	5,198.18
Unsecured Considered doubtful		-	
Other parties			74.14
Less : Provision For Doubtful Debts		-	(74.14)
Outstanding for a period exceeding six months from the date they are due for payment			
Considered doubtful			
Other parties	1,062.23	1,183.41	644.59
Less: Allowance for bad and doubtful debts	(1,062.23)	(1,183.41)	(644.59)
TOTAL	**2,437.88**	**3,265.01**	**5,217.44**

(Refer Note 34(iii) for Currency Risk & Note 42 for Trade Receivables offered as security)

12 Cash and cash equivalents

Paticulars	31st March 2017	31st March 2016	1st April 2015
Balances with Banks			-
- In current accounts	40.40	167.02	118.74
Cheques, drafts on hand	5.96	202.66	16.74
Cash on hand	4.75	4.12	4.12
TOTAL	**51.10**	**373.80**	**139.61**

13 Other Bank Balances

Paticulars	31st March 2017	31st March 2016	1st April 2015
Balance in Dividend Account	3.05	3.05	3.06
TOTAL	**3.05**	**3.05**	**3.06**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

14 Other financial assets - Current

Paticulars	31st March 2017	31st March 2016	1st April 2015
Considered good			
Security Deposits			
Deposits with others	0.20	6.47	6.55
Doubtful Deposits	0.50	0.50	0.50
Less:Provision for doubtful loans and advances	(0.50)	(0.50)	(0.50)
Receivalbles From Trinity India Forgtech India Private Ltd. (on account of transfer of part of Forging Division)			
Considered Good	-	429.37	-
Considered Doubtful	-	36.30	
Less : Provision For Doubtful Advances	-	(36.30)	-
Balances with Joint Venture Company	-	125.41	-
Derivative financial instruments	34.07	(1.94)	28.04
Total	**34.28**	**559.31**	**34.59**

15 Other current assets

Paticulars	31st March 2017	31st March 2016	1st April 2015
Export benefit receivables :			
Unsecured, considered Good	45.52	69.08	179.46
Unsecured, considered doubtful	1.95	10.18	-
Less: Provision for doubtful Export Incentive	(1.95)	(10.18)	-
Balances with Customs,Excise etc.			
Considered Good	412.63	350.59	585.18
Considered Doubtful	7.99	-	-
Less: Allowance for Doubtful Balance with Customs,Excise,etc	(7.99)	-	-
Advances to Suppliers	92.77	43.47	49.34
Deposits with Government Authorities	8.08	4.68	-
Prepaid expenses	18.86	39.55	38.65
Advances recoverable in kind for value to be received			
Considered Good	5.85	1.36	33.22
Considered Doubtful	-	-	1,264.29
Less : Allowance for Doubtful Advances	-	-	(1,264.29)
TOTAL	**583.70**	**508.72**	**885.85**

16 Assets classified as held for sale

Particulars	31st March 2017	31st March 2016	1st April 2015
(a) Forging Business			
Land & Building	850.00	1,265.00	-
Plant & Machinery	-	30.00	-
(b) Investment in Joint Venture			
Rose Engineered Products India Pvt.Ltd.	-	988.68	-
TOTAL	**850.00**	**2,283.68**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Notes :

(a) Forging Business :

In the F.Y. 2015-16, (w.e.f. 1st December 2015), the Company discontinued its forging business and sold the same on Slump sale basis. Majority of assets were transferred and the balance properties in the process of disposal were disclosed as 'Assets classified as held for sale' at estimated realizable value. The loss of ₹ 140.74 Lacs on estimated realisable value of the assets is recognised in the Statement of Profit and Loss under 'Exceptional Item' on the assets classified as held for sale.

During the year, out of the assets held for sale, majority of the assets were disposed off at the estimated realisable value excepting one of the Land and Building. The sale of the balance assets is expected to be completed in the coming financial year. The estimated realisable value of the asset is reassessed on 31st March 2017 based on the market research made by the management and further loss of ₹ 35 lacs is recognised in the Statement of Profit and Loss under 'Exceptional Item'.

(b) Investment in Joint Venture :

In Previous year FY. 2015-16, Pursuant to the resolution passed at the board meeting dated 21st January 2016, the Company decided to disinvest its stake in Joint Venture Company - Rose Engineered Products India Private limited and booked a loss of ₹ 65.57 lacs as woul arise on its sale and disclosed the same as exceptional item. The investment was transfered from 'Investment' to 'Asset Held For Sale' as Investment Held for Disposal' at Fair Value.

In current year, the transaction was completed at the Fair Value w.e.f. 22nd September, 2016.

17 Share Capital

a) Particulars	31st March 2017	31st March 2016	1st April 2015
Authorised			
3,00,00,000 Equity Shares of Re. 10 each	3,000.00	3,000.00	3,000.00
Issued, subscribed and fully paid up			
77,56,671 Equity Shares of Rs. 10 each	775.67	775.67	775.67
	775.67	775.67	775.67

b) Reconciliation of Equity Share Capital

Particulars	31st March 2017		31st March 2016	
	Number of shares	Rs. Lacs	Number of shares	Rs. Lacs
Balance as at the beginning of the year	77,56,671	775.67	77,56,671	775.67
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	**77,56,671**	**775.67**	**77,56,671**	**775.67**

c) Shares held by Parent

Particulars	31st March 2017	31st March 2016	1st April 2015
Equity Shares of Re. 10 held by:			
69,08,602 shares held by Parent (Scissors Engineering Products Ltd.)	690.86	690.86	690.86

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	31st March 2017	1st April 2015
69,08,602 shares held by Parent (Scissors Engineering Products Ltd. [89.07%]	690.86	690.86
	690.86	**690.86**

e) Aggregate number of shares bought back during 5 years immediately preceding the Financial Year

Particulars	31st March 2017	1st April 2015
No. of equity shares bought back by the Company	NIL	NIL

f) During preceeding five years, the Company has issued 1,50,037 Shares of Rs. 10/- each without payment being received in cash.

g) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs. 10 each. Holder of Equity Shares is entilted to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaing assets of the company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

18 Other Equity

Particulars	Reserves and Surplus						Total
	Capital Reserve (State Government Subsidy)	Capital Reserve (On Amalgamation)	Securities Premium Reserve	Reserves & Surplus of Joint Venture	Retained Earnings	General Reserves	
Balance as at 1st April, 2015	90.00	144.97	993.60	(65.15)	6,134.79	280.71	7,578.92
Profit for the year	-	-	-	-	(3,932.84)	-	(3,932.84)
Other Comprehensive Income for the year	-	-	-	-	(30.40)	-	(30.40)
Total Comprehensive Income for the year	-	-	-	-	(3,963.24)	-	(3,963.24)
Transfer to retained earnings	-	-	-	(7.74)	7.74	-	-
Balance as at 31st March, 2016	**90.00**	**144.97**	**993.60**	**(72.89)**	**2,179.29**	**280.71**	**3,615.68**
Balance as at 1st April, 2016	90.00	144.97	993.60	(72.89)	2,179.29	280.71	3,615.68
Profit for the year	-	-	-	-	780.60	-	781
Other Comprehensive Income for the year	-	-	-	-	2.78	-	2.78
Total Comprehensive Income for the year	-	-	-	-	783.38	-	783
Transfer to retained earnings	-	-	-	72.89	(72.89)	-	-
Balance as at 31st March 2017	**90.00**	**144.97**	**993.60**	**-**	**2,889.78**	**280.71**	**4,399.06**

19 Borrowings

Particulars	31st March 2017	31st March 2016	1st April 2015
Secured			
Term Loans From Banks	543.49	1,026.03	1,835.75
	543.49	1,026.03	1,835.75
Unsecured			
a) Interest free Deferred Sales tax payment liabilities	187.08	265.07	345.28
b) Loans and advances from Related Parties	-	-	739.00
	187.08	265.07	1,084.28
TOTAL	**730.57**	**1,291.11**	**2,920.03**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Nature of Security for Long Term secured borrowings:

Sr. No.	Particulars	31st March 2017	31st March 2016	1st April 2015
	Secured Loans :			
1	**from Banks :**			
i)	HDFC Bank Ltd (Secured by way of pari-passu first charge on all moveable plant and machinery of the Company, both present and future)	-	490.37	271.75
ii)	SARASWAT CO-OP BANK LTD (Secured by way of pari-passu first charge on all plant and machinery and other moveable assets of the Company, both present and future situated at Sinnar, Nashik). Repayable in 5 quarterly installment of ₹. 25 lacs upto March 2018. Thereafter 11 quarterly installments of ₹. 50 lacs. Repayable by September 2021.	650.00	750.00	901.59
iii)	INDUSIND BANK LTD (Secured by way of exclusive charge on fixed assets funded by Indusind Bank). Repayable in 5 quarterly instalment of ₹. 1 Cr. Repayable by March 2018.	-	800.00	1,200.00
iv)	The Saraswat Co-op Bank Ltd T/L 500 lacs (Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	200.88
v)	Axis Bank Ltd. T/L 400 lacs-(Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	273.65
vi)	The Saraswat Co-op Bank Ltd T/L 142.30 lacs (Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	15.00
vii)	Indusind Bank WCTL / 750 lacs (Secured by way of Pari pasu first charge on all present and future fixed assets except vehicles of the company and pari pasu second charge on all present and future current assets)	-	-	656.25
	Sub-Total	**650.00**	**2,040.37**	**3,519.12**
2	**Unsecured Loans:**			
i)	Interest free Deferred Sales tax payment liabilities	265.65	345.27	419.61
ii)	Unsecured Loans from RAYMOND Ltd (@10.50%)	739.00	2,639.00	1,639.00
iii)	Unsecured Loans from RAYMOND Ltd (@10.00%)	400.00	-	-
iv)	Unsecured Loans from JK TALABOT Ltd (@10.25%)	1,000.00	1,000.00	-
	Sub-Total	**2,404.65**	**3,984.27**	**2,058.61**
	TOTAL	**3,054.65**	**6,024.64**	**5,577.73**
**	(Refer Note 34(iv) for Repayment Schedule. There is no default in repayment of Loan)			

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

20 Short Term Borrowings

Particulars	31st Mar 2017	31st Mar 2016	1st April 2015
Secured			
- Working Capital Loan	949.67	1,681.18	3,661.69
(Working capital loan from banks and buyers credit arrangements are secured by hypothecation of inventories, books debts and other current assets.)			
TOTAL	**949.67**	**1,681.18**	**3,661.69**

1. **Working Capital Limits for Auto Component Business :**
   a) The Company has been sanctioned limit of Working Capital facilities amounting to ₹ 2370 Lacs (as 31.3.2016 & as at 1.4.2015 ₹ 2370 Lacs) which are secured by hypothecation of stocks, both present & future, consisting of raw materials, finished goods, goods in process, consumables, packing materials etc; and book debts of the Company. Utilisation of working capital facilities was ₹ 949.67 lacs (₹ 1681.18 Lacs as at 31st March, 2016 and ₹ 1844.85 Lacs as at April,1 2015).
   b) In addition, the Company has also non-fund based facility of ₹1190 Lacs (as 31.3.2016 & as at 1.4.2015 at ₹1190 Lacs) is also secured by the assets as mentioned in a) above and margin money by way of Fixed deposit of ₹ Nil (as 31.3.2016 & as at 1.4.2015 ₹Nil)
2. **Working Capital Limits for Erstwhile Forging Business:**
   a) The Company has been sanctioned limit of Working Capital facilities amounting to ₹ NIL (₹ Nil as at March 31, 2016, As at April 1, 2015 ₹ 2,000 Lacs which were secured by hypothecation of stocks, both present & future, consisting of raw materials, finished goods, goods in process, consumables, Die & packing materials etc; and book debts of the Company). Utilisation of working capital facilities was ₹ NIL as at 31st Mar, 2016 (₹ 1,816.84 as at April 1, 2015).
   b) In addition, the Company has also non-fund based facility of ₹ Nil (Previous Year ₹ 1250 Lacs) is also secured by the assets as mentioned in a) above and margin money by way of Fixed deposit of ₹ NIL as at 31st, March 2017 (₹ 106.62 lacs as at 31.3.2016 and ₹ 155.04 lacs as at April 1, 2015).

21 Trade payables

Particulars	31st Mar 2017	31st Mar 2016	1st April 2015
Trade payables :			
Amounts due to related parties	2.69	6.96	32.86
Others	3,637.78	4,120.00	5,783.33
TOTAL	**3,640.47**	**4,126.96**	**5,816.19**

DUES TO MICRO AND SMALL ENTERPRISES

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

22 Other financial liabilities

Particulars	31st Mar 2017	31st Mar 2016	1st April 2015
Current			
Current maturities of long-term debt	2,317.57	4,709.57	2,626.71
Interest accrued but not due on borrowings	66.82	191.96	255.87
Unpaid dividends	2.23	2.23	2.52
Deposits from Dealers, Agents, etc.	10.49	4.95	8.03
Other payables - Creditors for Capital Goods	6.14	227.05	299.31
TOTAL	**2,403.25**	**5,135.76**	**3,192.45**

During the year ₹ Nil (FY 2015-16 ₹ 28,434/-; F.Y. 2014-15 ₹ Nil) was due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

23 Other Current liabilities

Particulars	31st Mar 2017	31st Mar 2016	1st April 2015
Statutory Dues	62.29	80.34	268.98
Advance from customers	16.80	7.20	7.20
TOTAL	**79.09**	**87.54**	**278.69**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

24 Provisions

Particulars	31st Mar 2017	31st Mar 2016	1st April 2015
Provision for employee benefits			
a) Provision for Gratuity	139.27	103.43	282.96
b) Provision for Compensated Absences	84.33	79.89	113.09
c) Severence Cost	-	44.03	-
TOTAL	**223.60**	**227.36**	**396.05**

25 Revenue from Operations

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Sale of Products		
- Manufactured goods	15,599.89	16,418.92
Sales of Services		
- Job Work	-	264.60
Other operating revenue		
- Export Incentives, etc	211.51	182.49
- Process waste sale	598.01	667.25
- Others	22.05	63.69
TOTAL	**16,431.46**	**17,596.96**

Note : Based on the past experiences provision made for sales return is in FY 2017 is ₹ 19.45 lacs (FY 2016 ₹ Nil).

26 Other income

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Interest income	-	9.35
Dividend income		
Others	0.09	0.09
Gain on Variation in Foreign Exchange Rates (Net)	110.57	178.24
Net gain/loss on sale of investments	7.32	-
Net gain/loss on sale of Asset	32.26	-
Provision no longer required written back	82.08	(0.04)
Other non-operating income	106.95	179.73
Total	**339.27**	**367.37**

27 Cost of materials consumed

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Raw materials consumed	5,833.10	6,310.05
Packing Materials consumed	243.80	240.33
TOTAL	**6,076.90**	**6,550.38**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

28 Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Opening inventories		
Finished goods	1,012.91	2,269.43
Work-in-progress	315.80	650.75
	1,328.71	2,920.18
Closing inventories	-	
Finished goods	1,358.32	1,452.18
Work-in-progress	267.80	484.21
	1,626.13	1,936.39
Excise duty on increase/ (decrease) of finished goods	(6.35)	(75.75)
TOTAL	**(303.77)**	**908.04**

29 Manufacturing and Operating Costs

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Consumption of stores and spare parts	988.75	899.82
Power and fuel	1,022.74	1,189.80
Repairs to buildings	43.60	34.74
Repairs to machinery	370.60	306.69
Other Manufacturing and Operating expenses	1,620.27	1,961.27
TOTAL	**4,045.96**	**4,392.32**

30 Employee benefits expense

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Salaries and wages	2,359.69	2,633.37
Contribution to provident funds and other funds	117.72	113.78
Defined benefit plan expense	41.45	35.77
Workmen and Staff welfare expenses	106.29	138.25
TOTAL	**2,625.15**	**2,921.17**

31 Finance costs

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Interest expense on Term Loans	419.77	322.56
Interest expense on bank overdraft/ short term borrowings	90.28	489.44
Other borrowing costs	17.44	32.23
TOTAL	**527.49**	**844.23**

32 Depreciation and amortization expense

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Depreciation on Property, Plant and Equipment	677.62	773.99
Amortization on Intangible assets	16.96	9.44
TOTAL	**694.58**	**783.43**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

33 Other expenses

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
Rent	30.23	29.56
Insurance	72.65	68.85
Repairs & Maintainence Others	1.43	1.80
Rates and Taxes	2.59	13.40
Commission to selling agents	5.31	11.87
Freight, Octroi, etc	604.36	620.79
Legal and Professional Expenses	122.94	118.24
Travelling & Conveyance	94.00	129.68
Sales Promotion expenses	0.36	8.31
Bad Debts written off	59.76	63.11
Less : Provision withdrawn	(59.76)	(47.82)
Advanced Written off	-	1,264.29
Less : Provision withdrawn	-	(1,264.29)
Provision for doubtful Debts	-	335.65
Provision for doubtful Advances	7.99	23.16
Director's sitting Fees	10.50	8.00
Information Technology Outsourcing Cost	26.89	25.38
Security Expenses	65.09	88.94
Net Loss on disposal of assets	-	42.10
Loss in Fair Valuation of Investment	0.46	-
Miscellaneous Expenses	254.58	191.42
TOTAL	**1,299.38**	**1,732.44**

***Auditors' remuneration and expenses**

Particulars	For the Year ended 31st Mar 2017	For the Year ended 31st Mar 2016
- Audit Fees	10.92	10.31
- Tax Audit Fees	2.01	2.00
- Limited Review Fees	4.85	4.82
- Certification Fees	1.72	3.40
(Including Service Tax & Cess)		
Reimbursement of out–of–pocket expenses	1.65	1.46
TOTAL	**21.15**	**21.99**

34 Risk Management

Financial risk management objectives and policies

The groups financial risk management is an integral part of how to plan and execute its business strategies. The groups financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The group manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

i. **Market Risk- Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Borrowings bearing variable rate of interest	1,593.16	3,697.58	7,149.82

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

Particulars	2016-2017	2015-2016
50 bp increase- decrease in profits	(13.23)	(27.12)
50 bp decrease- Increase in profits	13.23	27.12

ii. **Market Risk- Foreign currency risk.**

The Group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign currency In lacs)

Particulars		Currency	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Forward contracts to sell USD		USD	8.83	5.67	19.88
Forward contracts to buy EURO		EURO	8.6	14.49	18.71

All the derivative instruments have been acquired for hedging purposes.

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2017 (Foreign currency In lacs)

Particulars	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	-	4.16	0.04	-	-
Trade payables	0.24	0.01	-	-	-
Cash and Bank balances	0.00	0.00	0.00	0.00	0.00

As at 31st March 2016 (Foreign currency In lacs)

Particulars	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	5.41	-	0.05	-	-
Trade payables	0.75	0.06	-	-	-
Cash and Bank balances	0.00	0.00	0.00	0.00	0.00

As at 1st April 2015 (Foreign currency In lacs)

Particulars	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	5.55	7.19	0.54	-	-
Trade payables	0.31	1.37	0.23	-	-
Cash and Bank balances	0.00	0.00	0.00	0.00	0.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

Particulars	2016-2017		2015-2016	
	1% Increase	1% decrease	1% Increase	1% decrease
EURO	2.87	(2.87)	(0.05)	0.05
USD	(0.16)	0.16	3.09	(3.09)
GBP	0.03	(0.03)	0.05	(0.05)
Increase / (decrease) in profit or loss	2.74	(2.74)	3.09	(3.09)

iii. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The group considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Not due	2,306.63	2,794.33	2,246.62
0-3 months	120.63	428.90	1,219.66
3-6 months	10.62	41.78	1,751.15
TOTAL	**2,437.88**	**3,265.01**	**5,217.44**

Movement in provisons of doubtful debts

Particulars	As at 31st March 2017	As at 31st March 2016
Opening provision	1,183.41	718.73
Add:- Additional provision made	-	335.65
Less:- Provision write off/ reversed	(61.42)	-
Add:- Additional provision made routed through Exceptional Item	-	176.86
Less:- Provision utilised against bad debts	(59.76)	(47.82)
Closing provisions	**1,062.23**	**1,183.41**

iv. Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

(i) Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Variable Borrowing -Cash Credit expires within 1 year	949.67	1,681.18	3,661.69

Maturity patterns of borrowings

Particulars	As at 31st March 2017			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	2,317.57	730.57	-	3,048.14
Short term borrowings	949.67	-	-	949.67
Expected Interest payable	401.43	90.75	-	492.18
Total	**3,668.67**	**821.32**	**-**	**4,489.99**

Particulars	As at 31st March 2016			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	4,709.57	1,291.11	-	6,000.68
Short term borrowings	1,681.18	-	-	1,681.18
Expected Interest payable	510.00	187.50	-	697.50
Total	**6,900.75**	**1,478.61**	**-**	**8,379.35**

Particulars	As at 31st March 2015			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	2,626.71	2,920.03	-	5,546.74
Short term borrowings	3,661.69	-	-	3,661.69
Expected Interest payable	812.00	272.08	-	1,084.08
Total	**7,100.40**	**3,192.11**	**-**	**10,292.51**

35 Capital risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

The Company's strategy is to maintain a gearing ratio within 67%. The gearing ratios were as follows:

Particulars	31st March 2017	31 March, 2016	1 April, 2015
Net Debt	4,004.32	7,705.82	9,239.42
Equity	5,174.74	4,391.35	8,354.59
Total Capital Employed	9,179.06	12,097.17	17,594.01
Gearing Ratio	4%	64%	53%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

36 Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 :

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	2.06	N.A.	2.06
Permitted receipts	N.A.	N.A.	N.A.
Permitted receipts	N.A.	N.A.	N.A.
SBNs deposited in Banks	2.06	N.A.	2.06
Closing cash in hand as on 30.12.2016	NIL	N.A.	NIL

37 Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Financial Assets and Liabilities as at 31st March'2017

Particulars	Non Current	Current	Total	Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
				Level 1	Level 2	Level 3	Total				
Financial Assets											
Other Investment	22.42	-	22.42	-	21.72	-	21.72	-	0.70	-	22.42
Other Financial Assets	-	34.28	34.28	-	34.07	-	34.07	-	0.20	-	34.28
Trade receivable	-	2,437.88	2,437.88	-	-	-	-	-	2,437.88	-	2,437.88
Cash and Cash equalents	-	51.10	51.10	-	-	-	-	-	51.10	-	51.10
Other Bank Balance	-	3.05	3.06	-	-	-	-	-	3.06	-	3.06
	22.42	2,526.31	2,548.75	-	55.79	-	55.79	-	2,492.95	-	2,548.75
Financial Liabilities											
Borrowings	730.57	949.67	1,680.24	-	-	-	-	-	1,680.24	-	1,680.24
Other Financial Liabilities	-	2,403.25	2,403.25	-	-	-	-	-	2,403.25	-	2,403.25
Trade Payables	-	3,640.47	3,640.47	-	-	-	-	-	3,640.47	-	3,640.47
	730.57	**6,993.40**	**7,723.97**	**-**	**-**	**-**	**-**	**-**	**7,723.97**	**-**	**7,723.97**

Financial Assets and Liabilities as at 31st March'2016

Particulars	Non Current	Current	Total	Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
				Level 1	Level 2	Level 3	Total				
Financial Assets											
Other Investment	22.89	-	22.89	-	22.19	-	22.19	-	0.70	-	22.89
Other Financial Assets	106.62	559.31	665.93	-	(1.94)	-	(1.94)	-	667.87	-	665.93
Trade receivable	-	3,265.01	3,265.01	-	-	-	-	-	3,265.01	-	3,265.01
Cash and Cash equalents	-	373.80	373.80	-	-	-	-	-	373.80	-	373.80
Other Bank Balance	-	3.05	3.05	-	-	-	-	-	3.05	-	3.05
	129.51	4,201.17	4,330.68	-	20.24	-	20.24	-	4,310.44	-	4,330.68
Financial Liabilities											
Borrowings	1,291.11	1,681.18	2,972.28	-	-	-	-	-	2,972.28	-	2,972.28
Other Financial Liabilities	-	5,135.76	5,135.76	-	-	-	-	-	5,135.76	-	5,135.76
Trade Payables	-	4,126.96	4,126.96	-	-	-	-	-	4,126.96	-	4,126.96
	1,291.11	**10,943.89**	**12,235.00**	**-**	**-**	**-**	**-**	**-**	**12,235.00**	**-**	**12,235.00**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

Financial Assets and Liabilities as at 1st April'2015

Particulars	Non Current	Current	Total	Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
				Level 1	Level 2	Level 3	Total				
Financial Assets											
Investments in Joint Venture & Subsidiary	996.42	-	996.42	-	996.42	-	996.42	-	-	-	996.42
Other Investment	22.89	-	22.89	-	22.19	-	22.19	-	0.70	-	22.89
Other Financial Assets	155.04	34.59	189.63	-	28.04	-	28.04	-	161.59	-	189.63
Trade receivable	-	5,217.44	5,217.44	-	-	-	-	-	5,217.44	-	5,217.44
Cash and Cash equalents	-	139.61	139.61	-	-	-	-	-	139.61	-	139.61
Other Bank Balance	-	3.06	3.06	-	-	-	-	-	3.06	-	3.06
	1,174.34	5,394.70	6,569.04	-	1,046.64	-	1,046.64	-	5,522.40	-	6,569.04
Financial Liabilities											
Borrowings	2,920.03	3,661.69	6,581.72	-	-	-	-	-	6,581.72	-	6,581.72
Other Financial Liabilities	-	3,192.45	3,192.45	-	-	-	-	-	3,192.45	-	3,192.45
Trade Payables	-	5,816.19	5,816.19	-	-	-	-	-	5,816.19	-	5,816.19
	2,920.03	**12,670.33**	**15,590.36**	**-**	**-**	**-**	**-**	**-**	**15,590.36**	**-**	**15,590.36**

Particulars	As at 31st March'2017		As at 31st March'2016		As at 1st April'2015	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Investments in Joint Venture & Subsidiary	-	-	-	-	996.42	996.42
Other Investment	22.42	22.42	22.89	22.89	22.89	22.89
Other Financial Assets	34.28	34.28	665.93	665.93	189.63	189.63
Trade receivable	2,437.88	2,437.88	3,265.01	3,265.01	5,217.44	5,217.44
Cash and Cash equalents	51.10	51.10	373.80	373.80	139.61	139.61
Other Bank Balance	3.06	3.06	3.05	3.05	3.06	3.06
	2,548.75	2,548.75	4,330.68	4,330.68	6,569.04	6,569.04
Financial Liabilities						
Borrowings	1,680.24	1,680.24	2,972.28	2,972.28	6,581.72	6,581.72
Other Financial Liabilities	2,403.25	2,403.25	5,135.76	5,135.76	3,192.45	3,192.45
Trade Payables	3,640.47	3,640.47	4,126.96	4,126.96	5,816.19	5,816.19
	7,723.97	**7,723.97**	**12,235.00**	**12,235.00**	**5,590.36**	**5,590.36**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

38 Note on Discontinued Operation :

During the previous year (w.e.f. 1st December 2015), the Company had discontinued its forging business and sold the same on Slump sale basis. Majority of assets had been transferred and balance immoveable properties are in the process of disposed-off and has disclosed as 'Assets held for Sale' at fair value.

The loss arising on restructuring of forging business of Rs. 3559.82 lacs had been disclosed as 'Exceptional Item' in Statement of Profit and Loss for the previous year.

The carrying amounts of the total assets to be disposed of and the total liabilities to be settled, attributable to the discontinued operation – Forging Business is as under :

Particulars	As at March 31, 2016
LIABILITIES :	
Current liabilities :	
(a) Trade Payables	237.39
(b) Other Current Liabilities	2,250.95
(c) Short-Term Provisions	44.03
TOTAL	**2,532.37**
ASSETS :	
Non-Current Assets :	
(a) Non-Current Investments	0.5
(b) Long-term loans and advances	17.07
(c) Other Non-Current Assets	284.06
Current Assets :	
(a) Trade receivables	11.29
(b) Cash and Bank balances	70.09
(c) Short-Term Loans and Advances	43.22
(d) Other Current Assets	1,736.44
TOTAL	**2,162.67**

The amounts of revenue and expenses in respect of the ordinary activities attributable to the discontinued operation – Forging Business is as under :

Particulars	For the half year ended 30th September,2015
I **Revenue From Operations (Gross)**	3,738.37
Less: Excise Duty	244.90
	3,493.47
II **Other Income**	21.08
III **Total Revenue (I + II)**	3,514.55
Expenses:	
- Cost of materials consumed	1,297.97
- Manufacturing and Operating Costs	936.50
- Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	607.65
- Employee benefits expense	696.15
- Finance costs	200.21
- Depreciation	184.20
- Other expenses	303.03
IV **Total Expenses**	**4,225.71**
V **Profit Before Exceptional and Extraordinary Items and Tax (III-IV)**	**(711.16)**

In the current financial year, a further loss of Rs. 51.72 lacs is booked on the remaing assets of the erstwhile forging business and is disclosed as 'Exceptional Items'.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

39 Related Party Disclousers :

A. Relationships:

1 Where control exists.

(a) Holding Company
- Scissors Engineering Products Limited

Ultimate holding Company
- Raymond Limited

(b) Subsidiary Company
- R & A Logistics Inc., U.S.A.

(c) Fellow Subsidiary Companies
- Pashmina Holdings Limited
- Everblue Apparel Limited
- Jaykayorg AG
- Raymond (Europe) Limited
- JK Files (India) Limited
- Colorplus Fashions Limited
- Silver Spark Apparel Limited
- Celebrations Apparel Limited
- Raymond Woollen Outerwear Limited
- Dress Master Apparel Private Limited (formerly known as Robot Systems Private Limited)
- JK Talabot Limited
- Raymond Apparel Limited
- Raymond Luxury Cottons Limited (formerly known as Raymond Zambaiti Limited)

(d) Other Related Parties
- J. K. Helene Curtis Ltd.

2 Joint Venture:
- Rose Engineered Products India Private Limited (upto 22nd September 2016)

3 Key Management Personnel:
- Mr. Gautam Hari Singhania – Director
- Mr. H. Sunder – Director
- Mr. Bhuwan Kumar Chaturvedi – Director
- Mr. Jagmeet Singh Sabharwal – Director
- Mr. Parvinder Singh Pasricha – Director
- Mr. Sitesh Maheshwari – C.F.O.
- Mr. Gaurav Sainani – Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015

(All Amounts are in Rs. Lacs, unless Stated Otherwise)

B. Transactions carried out with related parties referred in A above, in the ordinary course of business:

Nature of transactions	J.K. Files (I) Ltd.	Raymond Ltd.	Rose Eng. Products India Pvt. Ltd.	J.K. Helene Curtis Ltd.	Scissors Engineeering Products Ltd.	JK Talabot Ltd.	Key Management personnel & their relatives
Sales							
Goods and Material	-	-	19.79	-	-	-	-
	(-)	*(-)*	*(99.28)*	*(-)*	*(-)*	*(-)*	*(-)*
Export Incentive License	-	-	-	-	-	-	-
	(5.02)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Fixed Assets	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Purchases							
Goods and Material	2.76	2.04	-	-	-	-	-
	(1.96)	*(-)*	*(-)*	*(0.24)*	*(-)*	*(-)*	*(-)*
Fixed Assets	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Export Incentive License	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Expenses							
Remuneration	78.14	-	-	-	-	-	-
of deputed employees	*(56.04)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Managerial Remuneration	-	-	-	-	-	-	42.38
	(-)	*(-)*	*(-)*	-	-	-	*(47.07)*
Reimbursement of Expenses	4.58	2.15	-	-	-	-	-
	(-)	*(1.69)*	*(-)*	*(-)*	*(6.87)*	*(-)*	*(-)*
Interest Paid	-	154.50	-	-	-	102.50	-
	(-)	*(224.96)*	*(-)*	*(-)*	*(-)*	*(44.51)*	*(-)*
Income							
Interest	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Rent and other service	-	0.22	76.29	-	-	-	-
charges	*(-)*	*(-)*	*(120.00)*	*(-)*	*(-)*	*(-)*	*(-)*
Receipt							
Loan Received(ICD)	-	500.00	-	-	-	-	-
	(-)	*(1,700.00)*	*(-)*	*(-)*	*(-)*	*(1,032.00)*	*(-)*
Payment							
ICD	-	2,000.00	-	-	-	-	-
	(-)	*(700.00)*	*(-)*	*(-)*	*(-)*	*(32.00)*	*(-)*
Investment-Others	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Other Receipts							
Loan repaid	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Deputation of staff	-	-	3.25	-	-	-	-
	(-)	*(-)*	*(55.94)*	*(-)*	*(-)*	*(-)*	*(-)*
Management Fees	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Others	-	-	-	-	-	-	-
	(-)	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*	*(-)*
Outstanding							
Payable	2.69	1,199.50	-	-	-	1,000.00	-
	(-)	*(2,866.14)*	*(-)*	*(-)*	*(6.87)*	*(1,000.00)*	*(-)*
Receivable	-	-	-	-	-	-	-
	(-)	*(-)*	*(135.18)*	*(-)*	*(-)*	*(-)*	*(-)*

(Previous year figures are in brackets)

Notes:

(i) Related parties have been identified by the Management and relied upon by the auditors.

(ii) No amount has been provided for/written off/written back, pertaining to related parties.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

40 Key Management Personnel for the year ended 31st March, 2017

Nature of transactions	Shri Sitesh Maheshwari – CFO	B. K. Chaturvedi - Director	Dr. P.S. Pasricha – Director	Shri Gautam Hari Singhania – Director	Total
Expenses :					
Remuneration	27.88	-	-	-	27.88
	(27.07)	-	-	-	(27.07)
Retainers Fees	-	4.00	-	-	4.00
	-	(12.00)	-	-	(12.00)
Directors Fees	-	5.50	3.50	1.50	10.50
	-	(4.50)	(2.50)		(8.00)

Note : Figures in bracket represents previous year's number's

41 Earnings per share

Particulars	**2016-17**	**2015-16**
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year (before exceptional item)	832.32	(373.62)
Profit/(Loss) for the year (after exceptional item)	780.60	(3,932.84)
Weighted average number of equity shares outstanding (in numbers)	7,756,671.00	7,756,671.00
Basic and diluted Earnings Per Share (Before exceptional item)	10.73	(4.82)
Basic and diluted Earnings Per Share (After exceptional item)	10.06	(50.70)
(Face value of Re. 10 per share)		

42 Assets offered as security

The carrying amounts of assets offered as security for current and non-current borrowings are:

Particulars	**31 March, 2017**	**31 March, 2016**	**1 April, 2015**
Current Assets			
Financial Assets			
Second Pari Passu Charge			
Trade receivables	2,410.27	3,240.81	5,167.75
Inventories	2,454.59	2,292.60	4,443.67
Total Current assets offered as security	**5,543.92**	**5,543.92**	**9,630.68**
Non Current Assets			
First Pari Passu Charge			
Furniture, fittings and equipment	40.61	46.71	108.68
Plant and Machinary	4,023.19	4,427.11	6,817.39
Others	364.41	348.49	305.67
Total non-current assets offered as security	**4,428.22**	**4,822.31**	**7,231.74**
Total assets offered as security	**9,972.15**	**10,366.23**	**16,862.42**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2015
(All Amounts are in Rs. Lacs, unless Stated Otherwise)

43 Contingent liabilities and commitments (to the extent not provided for)

Particulars	31 March, 2017	31 March, 2016	1 April, 2015
Claims against the Company not acknowledged as debts in respect of past disputed liabilities.	169.97	164.65	159.34
Disputed Sales Tax Matters (Excluding interest, if any)	11.87	11.87	11.87
Disputed Excise Matters	156.96	46.40	46.40
Disputed Income Tax Matters (excluding interest, if any)	41.81	156.96	144.96
TOTAL	**380.61**	**379.88**	**362.57**

Wage settlement :

Company have two manufacturing facilities at Sinnar, Nashik viz. Starter Gear Division (SGD) & Shaft Bearing Division (SBD). Both the facilities have Workmen Union. Wage agreement for both the facilities has expired in September 2015 and the discussions/ negotiations with Union are in progress. Matter of SGD has been referred to Conciliation officer & in case of SBD it is with Industrial Tribunal. Company has made provisions towards liability arising on wage settlement on the basis of trend, similar settlements the vicinity, other factors. The provision made in the books are adequate hence no contingent liability is disclosed.

44 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31 March, 2017	31 March, 2016	1 April, 2015
Property, plant and equipment	114.73	81.97	114.57
Less: Capital advances	21.62	11.85	30.90
Net Capital commitments	**93.11**	**70.12**	**83.67**

45 The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements the Company does not reasonable expect the outcome of these proceedings to have a material impact on its financial statements.

46 The previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

Signatures to Notes 1 to 46, which form an integral part of the financial statement

For and on Behalf of Board of Directors

sd/-
Bhuwan K. Chaturvedi
Director
DIN: 00144487

sd/-
H. Sunder
Director
DIN: 00020583

sd/-
Sitesh Maheshwari
Chief Financial Officer

sd/-
Gaurav Sainani
Company Secretary

Date : 27th April, 2017
Place : Mumbai

SCISSORS ENGINEERING PRODUCTS LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI THOMAS FERNANDES SHRI SRINIVASAN GANAPATHY SHRI R. A. PRABHUDESAI SHRI R. NARAYANAN
MANAGER	:	SHRI KAMLAKAR TAK
CHIEF FINANCIAL OFFICER	:	SHRI SITESH MAHESHWARI
COMPANY SECRETARY	:	SHRI GAURAV SAINANI
STATUTORY AUDITORS	:	MESSRS. LODHA & CO. CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI - 400 001. MAHARASHTRA

SCISSORS ENGINEERING PRODUCTS LIMITED
(CIN: U29130MH2005PLC154732)
DIRECTORS' REPORT

To,
The Members of SCISSORS ENGINEERING PRODUCTS LIMITED

Your Directors present their Twelfth Annual Report together with the Audited Financial Statements for the year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

The total revenue of the Company for the Financial Year 2016-17 was at Rs. Nil (Previous Year: Nil). During the year under review, your Company has registered a loss of Rs. 0.02 crore (Previous Year: Rs. 0.02 crore).

2. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

3. DIVIDEND

In view of the loss incurred during the year, your Directors do not recommend any dividend for the Financial Year 2016-17.

4. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

5. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

DOMESTIC

Subsidiary

RING PLUS AQUA LIMITED

The Gross Revenue of the company stood at Rs. 163.21 crore (Previous Year: Rs. 173.52 crore, including Revenue of Rs. 37.38 crores from Forging business which was discontinued in previous year). During the year under review, your company made profit before tax of Rs. 10.49 crore (Previous Year: Loss Rs. 47.89 crore).

Joint venture

ROSE ENGINEERED PRODUCTS INDIA PRIVATE LIMITED

Ring Plus Aqua Limited had 50% stake in Rose Engineered Products India Private Limited ("JV Company"). In order to concentrate on the core competency, the stake in the Joint Venture Company were sold on September 21, 2016.

OVERSEAS

R & A LOGISTICS INC., U.S.A

The Company made a loss of US$ 23,282 (equivalent to Rs.0.17 crore) [Previous Year: Profit of US$ 11,281 (equivalent to Rs. 0.12 crore)] for the year ended March 31, 2017.

6. AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs Lodha & Co., as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company.

The Board of Directors places on record its appreciation to the services rendered by Messrs Lodha & Co. as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN 012754N/N500016) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures.

8. SHARE CAPITAL

Equity Shares

During the year under review, there has been no change in the Authorised share capital. The Paid up Capital of your Company has increased from Rs. 7,29,16,300 to Rs. 7,74,10,650 pursuant to the conversion of 89,887, 9% Non-Cumulative Compulsory Convertible Preference Shares entailing an issue of 4,49,435 Equity shares of Face Value of Rs. 10 at a premium of Rs. 10 per share. The Company has not issued any equity shares with differential rights, Sweat Equity shares and Employee Stock Options.

Preference Shares

During the year under review, 89,887, 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 100 each were converted into 4,49,435 Equity shares of Rs. 10 each at a premium of Rs. 10 per share. Thus the paid up Preference Share Capital has reduced from Rs. 21,41,94,700 to Rs. 20,52,06,000.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 have been accepted, given or made by the Company.

11. DIRECTORS

A] Changes in Directors and Key Managerial Personnel

I) Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Srinivasan Ganapathy, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

During the year, 5 Board Meetings were held viz. April 26, 2016, July 21, 2016, October 26, 2016, January 12, 2017 and January 25, 2017.

Sr. No.	Name of Director	DATE OF BOARD MEETING				
		26.04.2016	21.07.2016	26.10.2016	12.01.2017	25.01.2017
2	Shri Thomas Fernandes	✓	✓	✓	✓	✓
3	Shri Srinivasan Ganapathy	✓	✓	✓	✓	✓
4	Shri R. A. Prabhudesai	✓	✓	✓	✓	✓
5	Shri R. Narayanan	✓	✓	✓	✓	✓

II) Key Managerial Personnel (KMP)

During the year under review, Shri Ashok Khedekar resigned as the Manager of the Company with effect from May 31, 2016 and Shri Atul Dharap resigned as the Company Secretary of the Company with effect from October 31, 2016. The Board placed on record its appreciation for the services rendered by Shri Ashok Khedekar and Shri Atul Dharap.

The Board of Directors at its Meeting held on July 21, 2016 appointed Shri Kamlakar Tak as Manager, which is subject to approval of shareholders at the ensuing Annual General Meeting. Shri Gaurav Sainani was appointed as the Company Secretary of the Company with effect from January 12, 2017.

As on 31st March, 2017 your company have the following KMP's:

Sr. No.	Name of the Person	Designation
1	Shri Kamlakar Tak	Manager
2	Shri Sitesh Maheshwari	Chief Financial Officer
3	Shri Gaurav Sainani	Company Secretary

III) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors at their meeting held on December 14, 2016. The Directors express their satisfaction with the evaluation process.

12. COMMITTEES OF THE BOARD

With a view to have a more focused attention and for better governance and accountability, the Board constituted the following mandatory Committees:

Audit Committee

The composition of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014.

The current Composition of the Committee is as under:

1. Shri R.A. Prabhudesai : Independent Director, Chairman
2. Shri Narayanan Ramalingam : Independent Director, Member
3. Shri Thomas Fernandes : Non-executive Director, Member

The terms of reference of the Committee are determined by the Board and their relevance reviewed from time to time.

During the year, four Meetings of the Audit Committee were held viz. April 26, 2016, July 21, 2016, October 26, 2016 and January 25, 2017.

Sr. No.	Name of Director	DATE OF MEETING			
		26.04.2016	21.07.2016	26.10.2016	25.01.2017
1	Shri Thomas Fernandes	✓	✓	✓	✓
2	Shri R. A. Prabhudesai	✓	✓	✓	✓
3	Shri R. Narayanan	✓	✓	✓	✓

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The current Composition of the Committee is as under:

1. Shri R.A. Prabhudesai : Independent Director, Chairman
2. Shri Narayanan Ramalingam : Independent Director, Member
3. Shri Thomas Fernandes : Non-executive Director, Member

The Board has clearly defined terms of reference for Nomination and Remuneration Committee, which are as follows:

- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Company Secretary.

During the year, two Meetings of the Nomination and Remuneration Committee were held viz.
July 21, 2016 and January 12, 2017.

Sr. No.	Name of Director	DATE OF MEETING	
		21.07.2016	12.01.2017
2	Shri Thomas Fernandes	✓	✓
3	Shri R. A. Prabhudesai	✓	✓
4	Shri R. Narayanan	✓	✓

13. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

14. RISK MANAGEMENT

As your Company has not undertaken any business, hence this disclosure is not required during the year under review.

15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

i. that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
ii. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. that the directors have prepared the annual accounts on a going concern basis; and
v. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, the details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the Company.

17. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "**ANNEXURE A**".

18. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

19. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

Since the company does not have any employees on its payroll, this disclosure under the above act is not applicable.

20. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board
SCISSORS ENGINEERING PRODUCTS LIMITED

sd/-	sd/-
Thomas Fernandes	**Srinivasan Ganapathy**
Director	**Director**
DIN: 00286613	**DIN: 07379783**

Mumbai
April 28, 2017

ANNEXURE "A"

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U29130MH2005PLC154732
2.	Registration Date	July 12, 2005
3.	Name of the Company	Scissors Engineering Products Limited
4.	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government company
5.	Address of the Registered office & contact details	New Hind House, Narottam Morarji Marg, Ballard Estate, Fort, Mumbai – 400 001 Contact No. 022- 2268 6000
6.	Whether listed company	~~Yes~~ / No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
Not Applicable			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	**Name and Address of the company**	**CIN / GIN**	**Holding/ Subsidiary/ Associate**	**% of shares Held**	**Applicable section**
1	**Raymond Limited with its Nominees** Raymond Limited Plot No. 156/H. No.2, Village Zadgaon, Ratnagiri 415 612	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)

2	**Ring Plus Aqua Limited** D-3,4, Sinnar Taluka Audyogik Vasahat Maryadit, Village Musalgoan, Taluka Sinnar Nasik 422112 (MH)	U99999MH1986PLC040885	Subsidiary Company	89.07%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	-	-	-	-	-	-	-	-	-
(1) **Indian**	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	7291630	7291630	100%	-	7741065	7741065	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	**7291630**	**7291630**	**100%**	**-**	**7741065**	**7741065**	**100%**	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1 Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of	-	-	-	-	-	-	-	-	-

Rs 1 lakh									
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	**7291630**	**7291630**	**100%**	-	**7741065**	**7741065**	**100%**	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Raymond Limited along with Its Nominees	7291630	100%	NIL	7741065	100%	NIL	NIL

C) **Change in Promoters' Shareholding as on March 31, 2017 (please specify, if there is no change)**

Sr. No.	**Shareholder's Name**	**No. of Shares at the beginning of the year (01.04.2016)**	**% of total shares of the company**	**Date**	**Increase/ Decrease in Shareholding**	**Reason**	**Cumulative Shares during the year**	**% of total shares of the company during the year**
1	Raymond Limited	7291630	100%	12.01.2017	449435	Issue of shares on conversion of preference shares	7741065	100%

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

The Shares are entirely held by Raymond Limited and its Nominees.

E) Shareholding of Directors and Key Managerial Personnel:

The Directors and Key Managerial Personnel do not hold any shares in the Company, except as joint-holders.

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

The Company does not have any Managing Director, Whole-time Director and/or Manager.

SN.	Particulars of Remuneration	Name of ~~MD/WTD~~/ Manager			Total Amount
		Shri Kamlakar Tak	---	---	
1	Gross salary	NIL	---	---	---
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	---	---	---
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	---	---	---
2	Stock Option	NIL	---	---	---
3	Sweat Equity	NIL	---	---	---
4	Commission - as % of profit	NIL	---	---	---
5	Others, please specify	NIL	---	---	---
	Total (A)	NIL	---	---	---
	Ceiling as per the Act	NIL	---	---	---

B. **Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Shri R. Narayanan	Shri R.A. Prabhudesai	
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL
2	Other Non-Executive Directors	Shri Srinivasan Ganapathy	Shri Thomas Fernandes	-
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel other Than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
		-	Shri Gaurav Sainani	Shri Sitesh Maheshwari	
1	Gross salary	-	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	NIL	NIL	NIL
2	Stock Option	-	NIL	NIL	NIL
3	Sweat Equity	-	NIL	NIL	NIL
4	Commission	-	NIL	NIL	NIL
	- as % of profit	-	NIL	NIL	NIL
	others, specify…	-	NIL	NIL	NIL
5	Others, please specify	-	NIL	NIL	NIL
	Total	-	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

INDEPENDENT AUDITORS' REPORT

To the Members of
Scissors Engineering Products Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Scissors Engineering Products Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      a) The Company has disclosed the impact of pending litigations on its financial position in aforesaid standalone Ind AS financial statements – Refer Note 15(2) to the standalone Ind AS financial statements;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) The company has disclosed the holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in aforesaid standalone Ind AS financial statements - Refer Note 12 to the standalone Ind AS financial statements and the same was in accordance with the books of accounts maintained by the company.

For **Lodha & Co.**
Chartered Accountants
Firm Registration No. 301051E

sd/-

RP Baradiya
Partner
Membership No. 44101

Place: Mumbai
Date : 28th April, 2017

Annexure "A"

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE SCISSORS ENGINEERING PRODUCTS LIMITED ON STANDALONE IND AS FINANCIAL STATEMENTS

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. The Company does not have any fixed assets at any time during the year. Therefore Para 3 Clause (i) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

2. The Company does not have any inventory at any time during the year. Therefore Para 3 Clause (ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, Para 3 Clause (iii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

4. During the year, the Company has not granted any loans, provided guarantees and security referred in Section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to investment made and loan given.

5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of the Section 148 of the Act for any of the products of the Company.

7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

   b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service tax, Duty of Customs, Duty of Excise, Cess which have not been deposited on account of any dispute.

8. During the year, the Company has not taken any loan from a bank or a financial institution or government or issued any debenture. Therefore Para 3 Clause (viii) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, Para 3 Clause (ix) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on the Company by its officers and employees or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

11. The Company has not paid or provided any managerial remuneration. Therefore, Para 3 Clause (xi) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company.

12. The provisions of Nidhi Company are not applicable to the Company. Therefore, Para 3 Clause (xii) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company.

13. The provision of section 188 of Act (to the extent applicable) in respect of transactions with the related parties have been complied by the Company and the details have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards in Note 13 to the Standalone Ind AS financial statements. The provision of section 177 of the Act is not applicable to the Company.

14. During the year, The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, Para 3 Clause (xiv) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company.

15. According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him under section 192 of the Act. Therefore, Para 3 Clause (xv) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company.

16. The Company has not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Therefore, Para 3 Clause (xvi) of the Companies (Auditor’s Report) Order 2016 is not applicable to the Company.

For **Lodha & Co.**
Chartered Accountants
Firm Registration No: 301051E

sd/-

R.P. Baradiya
Partner
Membership No: 44101

Place : Mumbai
Dated : 28th April, 2017

Annexure "B"

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SCISSORS ENGINEERING PRODUCTS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended March 31st, 2017, We have audited the internal financial controls over financial reporting of Scissors Engineering Products Limited ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Lodha & Co.**
Chartered Accountants
Firm Registration No: 301051E

sd/-

R.P. Baradiya
Partner
Membership No: 44101

Place : Mumbai
Dated : 28th April, 2017

SCISSORS ENGINEERING PRODUCTS LIMITED
Balance Sheet as at 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

	Particulars	Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	Financial Assets				
	Investment	2	2,838.08	2,838.08	2,838.08
	Total Non-Current Assets		**2,838.08**	**2,838.08**	**2,838.08**
2	**Current assets**				
	Financial Assets				
	Cash and cash equivalent	3	0.82	2.05	3.20
	Other current assets	4	-	6.87	-
	Total Current Assets		**0.82**	**8.92**	**3.20**
	TOTAL ASSETS		**2,838.90**	**2,847.01**	**2,841.28**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(i) Share Capital	5	2,826.17	2,871.11	2,871.11
	(ii) Other equity		11.81	(31.95)	(30.40)
	Total Equity		**2,837.98**	**2,839.16**	**2,840.71**
2	**Liabilities**				
	Current liabilities				
	Financial Liabilities				
	Trade payable	6	0.83	7.16	0.50
	Other current liabilities	7	0.09	0.69	0.06
	TOTAL EQUITY AND LIABILITIES		**2,838.90**	**2,847.01**	**2,841.28**
	Accompanying Notes form an integral part of financial statements	**1 to 15**			

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-

R. P. Baradiya
Partner

For and on behalf of the Board

sd/-

Srinivasan Ganapathy
Director
DIN:07379783

sd/-

Thomas Fernandes
Director
DIN:00286613

sd/-

Sitesh Maheshwari
Chief Financial Officer
Mumbai
Date: 28th April, 2017

sd/-

Gaurav Sainani
Company Secretary

Mumbai
Date: 28th April, 2017

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Profit and Loss for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

	Particulars	Note	Year ended 31st March , 2017	Year ended 31st March, 2016
I	**Revenue from Operations**		-	-
II	**Other Income**		-	6.87
III	**Total Income (I + II)**		**-**	**6.87**
IV	**Expenses**			
	Other expenses	8	1.18	8.42
	Total expenses		**1.18**	**8.42**
V	**Profit / (loss) before tax**		**(1.18)**	**(1.55)**
VI	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)		-	-
VII	**Profit/(Loss) for the period (V + VI)**		**(1.18)**	**(1.55)**
VIII	**Other Comprehensive Income**		-	-
IX	**Other Comprehensive Income for the year**		-	-
X	**Total Comprehensive Income for the year (VII+IX)**		**(1.18)**	**(1.55)**
XI	**Earnings per equity share of Rs. 10 each :**	9		
	Basic & Diluted		(0.02)	(0.02)
Accompanying Notes form an integral part of financial statements		**1 to 15**		

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-

R. P. Baradiya
Partner

Mumbai
Date: 28th April, 2017

For and on behalf of the Board

sd/-

Srinivasan Ganapathy
Director
DIN:07379783

sd/-

Thomas Fernandes
Director
DIN:00286613

sd/-

Sitesh Maheshwari
Chief Financial Officer

sd/-

Gaurav Sainani
Company Secretary

Mumbai
Date: 28th April, 2017

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Changes in Equity for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Note	Amount
As at 1st April 2015		**2,871.11**
Changes in Equity Share Capital during the year	**5**	**-**
As at 31st March 2016		**2,871.11**
Changes in Equity Share Capital during the year	**5**	**(44.94)**
As at 31st March 2017		**2,826.17**

B. Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance as at 1st April, 2015	-	(30.40)	**(30.40)**
Loss for the year	-	(1.55)	**(1.55)**
Other Comprehensive Income for the year			
Total Comprehensive Income for the year	-	(1.55)	**(1.55)**
Balance as at 31st March, 2016	**-**	**(31.95)**	**(31.95)**
Balance as at 1st April, 2016	-	(31.95)	**(31.95)**
Premium on Conversion of Preference Shares	44.94	-	
Profit/ (Loss) for the year	-	(1.18)	**(1.18)**
Other Comprehensive Income for the year	-		-
Total Comprehensive Income for the year	-	(1.18)	(1.18)
Balance as at 31st March, 2017	**44.94**	**(33.13)**	**11.81**

Accompanying Notes form an integral part of financial statements **1 to 15**
As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E

sd/-

R. P. Baradiya
Partner

Mumbai
Date: 28th April, 2017

For and on behalf of the Board

sd/-

Srinivasan Ganapathy
Director
DIN:07379783

sd/-

Thomas Fernandes
Director
DIN:00286613

sd/-

Sitesh Maheshwari
Chief Financial Officer
Mumbai
Date: 28th April, 2017

sd/-

Gaurav Sainani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Cash Flow for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

Particulars	Notes	Year ended 31st March , 2017		Year ended 31st March, 2016	
A. Cash Flow from Operating Activities					
Net Profit/(loss) before tax			(1.18)		(1.55)
Adjustment for :					
Operating Profit Before Working Capital Changes			(1.18)		(1.55)
Adjustment for :					
(Increase)/Decrease in Other Current Assets		6.87		(6.87)	
Increase/(Decrease) in Trade Payables and Liabilities		(6.92)		7.28	
			(0.05)		0.41
Cash generated from Operations			(1.23)		(1.14)
Add / (Deduct): Taxes Paid (Net)			-		-
Net Cash Inflow/(Outflow) from Operating Activities			**(1.23)**		**(1.14)**
B. Cash Flow from Investing Activities					
Net Cash Outflow from Investing Activities			-		-
C. Cash Flow from Financing Activities					
Interest Paid			-		-
Net Cash Inflow from Financing Activities			-		-
Net Increase in Cash and Cash Equivalents (A+B+C)			(1.23)		(1.14)
Add :Cash and Cash Equivalents at the beginning of the financial Year			2.05		3.20
Cash and Cash Equivalents as at the end of the Year			**0.82**		**2.05**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement		Year ended 31st March , 2017	Year ended 31st March, 2016
Cash and Cash Equivalent as per above comprise of the following			
Cash and Cash Equivalent		0.82	2.05
Balance as per Statement of Cash Flows		**0.82**	**2.05**
Accompanying Notes form an integral part of financial statements	**1 to 15**		

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants
Firm Registration No.301051E
sd/-

R. P. Baradiya
Partner

Mumbai
Date: 28th April, 2017

For and on behalf of the Board

sd/-
Srinivasan Ganapathy
Director
DIN:07379783

sd/-
Thomas Fernandes
Director
DIN:00286613

sd/-
Sitesh Maheshwari
Chief Financial Officer
Mumbai
Date: 28th April, 2017

sd/-
Gaurav Sainani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

I. Background

Scissors Engineering incorporated in India having registered office at Mumbai and Corporate identification Number-U29130MH2005PLC154732.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules,2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the company prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis.

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle (tweleve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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.

(d) Investments and other financial assets

(i) Classification
The company classifies its financial assets at carrying cost.

(ii) Measurement
Equity instruments:
At initial recognition, the company measures a financial asset at its cost.

(iii) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(e) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, Rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods
Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to the nominated transporter against valid LR, in case of export sales place when goods are shipped on-board based on Bill of lading.

Revenue from services
Revenue from services is recognised in the accounting period in which the services are rendered.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

Note-2 Investment

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment in subsidiaries			
Carrying cost (Refer Note-14)			
Unquoted			
Ring Plus Aqua Ltd (Holding-89.07%)			
69,08,602 Nos- Equity Shares of Rs.10 each fully paid	*2,838.08*	*2,838.08*	*2,838.08*
Total	**2,838.08**	**2,838.08**	**2,838.08**

Note-3 Cash and cash equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks(Current Accounts)	0.80	2.02	3.17
Cash on hand	0.03	0.03	0.03
Total	**0.82**	**2.05**	**3.20**

Note-4 Other current assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other advances	-	6.87	-
Total	**-**	**6.87**	**-**

SCISSORS ENGINEERING PRODUCTS LIMITED

Notes to the financial statements for the year ended 31st March, 2017

(All amounts are in Rs. Lacs, unless stated otherwise)

Note-5 Share capital

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
77,50,000Nos [31st March, 2016: 77,50,000 Nos and 1st April, 2015: 77,50,000 Nos] Equity Shares of Rs.10 each	775.00	775.00	775.00
23,25,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each	2,325.00	2,325.00	2,325.00
(31st March 2016:23,25,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each)			
(1St April,2015:23,25,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each)			
Issued			
77,41,065Nos [31st March, 2016: 77,00,000 Nos and 1st April, 2015: 77,00,000 Nos] Equity Shares of Rs.10 each	774.11	770.00	770.00
23,25,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each	2,325.00	2,325.00	2,325.00
(31st March 2016 : 23,25,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each)			
(1St April,2015 : 23,25,000 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each)			
Subscribed and fully paid up			
77,41,065 Nos [31st March, 2016: 72,91,630 Nos and 1st April, 2015: 72,91,630 Nos] Equity Shares of Rs.10 each*	774.11	729.16	729.16
20,52,060 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each	2,052.06	2,141.95	2,141.95
(31st March 2016:21,41,947 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each)			
(1St April,2015:21,41,947 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100/- each)			
	2,826.17	**2,871.11**	**2,871.11**

*During a year 89,887 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs 100/- each convereted into 4,49,435 Equity shares of Face value Rs 10 each with Rs 44,94,350 as premium .

a) Reconciliation of number of shares

PARTICULARS	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year	72,91,630	729.16	72,91,630	729.16	72,91,630	729.16
Add: Shares issued during the year	4,49,435	44.94	-		-	
Balance as at the end of the year	**77,41,065**	**774.11**	**72,91,630**	**729.16**	**72,91,630**	**729.16**
Preference Shares :						
Balance as at the beginning of the year	21,41,947	2,141.95	21,41,947	2,141.95	21,41,947	2,141.95
Add/(less): Shares issued/(Convert) during the year	(89,887)	(89.89)	-		-	
Balance as at the end of the year	**20,52,060**	**2,052.06**	**21,41,947**	**2,142**	**21,41,947**	**2,142**

b) Shares held by Parent

PARTICULARS	As at 31st March, 2017	As at 31st March 16	As at 1st April, 2015
Equity Shares of Rs. 10 held by:			
Raymond Limited and Jointly held with others.	77,41,065	72,91,630	72,91,630
Preference Shares of Rs. 100 held by:			
Raymond Limited	20,52,060	21,41,947	21,41,947

(All amounts are in Rs. Lacs, unless stated otherwise)

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

NAME OF SHAREHOLDERS	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	% of Holding	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Raymond Limited and jointly held with others(50,000 shares)	77,41,065	100%	72,91,630	100%	72,91,630	100%
Preference Shares :						
Raymond Limited	20,52,060	100%	21,41,947	100%	21,41,947	100%

d) Right, Preference and Restrictions attached to each class of Shares:

Equity Shares: The Company has only one class of equity shares having par value of Rs.10 per share. Each Shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
Preference Shares :**The 9% Non- Cumulative Compulsory Convertible Preference shares, at the option of the company,from the date of issue and within time prescribed in the Companies Act ,2013 is convertible into Equity Shares of Face Value of Rs 10 each with premium on due date as under :

Number of Preference Shares(in Nos.)	Equity Shares(in Nos.)	Premium	Due date
17,60,250	88,01,250	Rs 8,80,12,500	27-09-2017
2,21,175	11,05,875	Rs 1,10,58,750	29-12-2017
1,125	5,625	Rs 56,250	28-03-2018
36,400	1,82,000	Rs 18,20,000	09-02-2018
15,400	77,000	Rs 7,70,000	09-02-2018
3,500	17,500	Rs 1,75,000	30-03-2018
10,710	53,550	Rs 5,35,500	17-09-2018
3,500	17,500	Rs 1,75,000	30-03-2020

**The Company has an option to redeem the said shares at par. In the event of liquidation of the company,the preference shares shall rank in priority to the equity shares for repayment of share Capital.

e) During the period of five years immediately preceeding the date as at which the balance sheet is prepared has not,
i) Issued any bonus shares
ii) Bought back any shares
iii) Issued any share persuant to contract without payment being received in cash.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

Note-6 Trade payables

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Others	*0.83*	*7.16*	*0.50*
Total	**0.83**	**7.16**	**0.50**

Note-7 Other non-current liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Staturtoty Dues	0.08	0.69	0.06
Other payables	0.01	0.08	0.06
Total	**0.09**	**0.77**	**0.11**

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in Rs. Lacs, unless stated otherwise)

Note-8 Other expenses

Particulars	Year ended 31st March , 2017	Year ended 31st March, 2016
Auditor's Remuneration	0.62	0.61
Legal and Professional Expenses	0.47	7.82
Miscellaneous Expenses	0.09	0.00
Total	**1.18**	**8.42**

Note-9 Earnings per share

Particulars	Year ended 31st March , 2017	Year ended 31st March, 2016
Loss for the year	(1.18)	(1.55)
Weighted average number of equity shares outstanding	73,88,905	72,91,630
Earnings Per Share (Rs.) - Basic & Diluted (Face value of Re. 10 per share)	(0.02)	(0.02)

The effects of anti-dilutive potential equity shares (on account of Non- Cumulative Convertible Preference Shares) are ignored while calculating diluted EPS.

Note 10 - Segment reporting disclosure

The Company operates in a single business segment . Accordingly there are no reportable businesses or geographical segments as prescribed under Ind As 108 “Operating Segments”.

Note 11 - Deferred tax

There is no deferred tax asset / liability to be recognized

Note 12 - Specified Banking Notes (Dislosure as per MCA Notification no.308E dated 30.03.2017)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	NA	-
(+) Permitted receipts (Specify Nature in Broad heads)	-	NA	-
(-) Permitted payments (Specify Nature in Broad heads)	-	NA	-
(-) Amount deposited in Banks	-	NA	-
Closing cash in hand as on 30.12.2016	-	-	-

SCISSORS ENGINEERING PRODUCTS LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Note 13 - Related party disclosure

1 Relationship

a. Holding Company	Raymond Limited (Ultimate holding company)
b. Subsidiary Companies	Ring Plus Aqua Limited R&A Logistics Inc

2. Transactions carried out during the year with related parties referred in 1 above:

Nature of Transactions	Related Parties	
	Raymond Ltd Rs.	Ring Plus Aqua Ltd Rs.
Investment in Equity *	-	-
As at 31st March, 2017	-	-
As at 31st March, 2016	-	-
As at 1st April, 2015	-	-
Other Miscellaneous Receipt	-	-
As at 31st March, 2017	-	-
As at 31st March, 2016	-	6,87,000
As at 1st April, 2015	-	-

Notes :

1. Related Party relationship is as identified by the Company and relied upon by the Auditors
2. * These Shares are acquired from Public Shares Holders

Note-14 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. Optional Exemptions

(a) Investments in subsidiaries, joint ventures and associates

The Company has opted para D14 and D15 and accordingly considered the cost of Investments as deemed cost as at transition date.

Note 15:

1 Information related for segmenting are not given as the same is considered in consolidated financial statement of the holding company.

2 There are no pending litigations as on 31st March,2017

3 Figures of the previous year have been regrouped/reclassified wherever necessary to match with the presentation of the current year.

For and on behalf of the Board

sd/-	sd/-
Srinivasan Ganapathy	**Thomas Fernandes**
Director	Director
DIN:07379783	DIN:00286613
sd/-	sd/-
Sitesh Maheshwari	**Gaurav Sainani**
Chief Financial Officer	Company Secretary

Place: Mumbai
Date: 28th April, 2017

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	**Particulars**	Name of the Company	Name of the Company
1	Name of the subsidiary	Ring Plus Aqua Ltd.	R & A Logistics, Inc.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
3	Reporting currency; and; Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR; N.A.	USD; INR/USD : 64.85
4	Share capital	7,75,67,340	13,950
5	Reserves & surplus	43,61,99,604	71,84,400
6	Total assets	1,31,07,09,320	1,81,42,436
7	Total Liabilities	79,69,42,007	1,09,44,086
8	Investments	22,42,123	Nil
9	Turnover	1,56,22,30,277	6,94,30,277
10	Profit/(Loss) before taxation	10,54,04,152	(21,33,755)
11	Provision for taxation	2,79,59,090	(4,35,910)
12	Profit/(Loss) after taxation	7,74,45,062	(16,97,846)
13	Proposed Dividend	NIL	NIL
14	% of shareholding	89.07%	89.07%

For and on behalf of Board of Directors

Sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-
Thomas Fernandes
Director
DIN: 00286613

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Sd/-
Gaurav Sainani
Company Secretary

Place: Mumbai
Date: 28th April, 2017

SILVER SPARK APPAREL LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	:	SHRI GAUTAM HARI SINGHANIA SHRI H. SUNDER SHRI RAM KRISHNA BHATNAGAR SMT. GEETHAA GHANECKAR SHRI R. A. PRABHUDESAI SHRI R. NARAYANAN
MANAGER	:	SHRI RAM BHATNAGAR
CHIEF FINANCIAL OFFICER (KMP)	:	SHRI SANDEEP KUMAR
COMPANY SECRETARY	:	SHRI S. MURALI
SECRETARIAL AUDITOR	:	MESSRS. ASHISH BHATT & ASSOCIATES
STATUTORY AUDITORS	:	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
INTERNAL AUDITOR	:	MESSRS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI - 400 001 MAHARASHTRA

SILVER SPARK APPAREL LIMITED

(CIN: U72900MH2000PLC127831)

DIRECTORS' REPORT

To
The Members of Silver Spark Apparel Limited,

Your Directors have pleasure in presenting their Seventeenth Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

The company has a quality overseas clientele for suits, jackets and trousers, and the strong export order book led to a strong sales growth performance. The Gross Revenue of the Company was at Rs. 426.89 crore (Previous Year: Rs.423.40 crore). Profit after tax was Rs. 21.75 crore (Previous Year: Rs.13.97 crore). The Company, through its step-down subsidiary is setting up a suit and jacket manufacturing plant in Ethiopia.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2016-17.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. SUBSIDIARY COMPANY

Silver Spark Middle East (FZE)

This company is the wholly owned subsidiary of Silver Spark Apparel Limited incorporated in Sharjah Airport Free Zone (SAIFZONE), Sharjah, UAE. This company will engage in Garmenting, Trading of Apparel and related products for the Middle East and African markets.

Dress Master Apparel Private Limited

The company is engaged in garment manufacturing at its plant located in Bangalore. The Gross Revenue of the company for FY 2017 stood at Rs. 37.96 crore (Previous Year: Rs. 14.49 crore). The company registered a Loss of Rs. 3.34 crore (Previous Year: Loss of Rs. 0.67 crore) during the year under review.

Silver Spark Apparel Ethiopia PLC

During the year under review, the Company has incorporated its step down subsidiary in Ethiopia on August 10, 2016.This company is a wholly owned subsidiary of Silver Spark Middle East (FZE). This company will engage in the Manufacturing of wearing apparel.

5. CONSOLIDATED ACCOUNTS

In accordance with Rule 6 of Companies (Accounts) Rules, 2014, your Company is not required to consolidate the financial statement with its subsidiaries since the Company is an intermediate wholly owned subsidiary of Raymond Limited.

6. AUDITORS

(a) Statutory Audit

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company.

The Board of Directors places on record its appreciation to the services rendered by Messrs. Dalal & Shah LLP, Chartered Accountants as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

(b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ashish Bhatt & Associates, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **"Annexure A"** and forms an integral part of this Report**.**

There has been no qualification(s), reservation(s) or adverse remark(s) or disclaimer(s) made in the report by the Practising Company Secretary in his secretarial audit report.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

8. SHARE CAPITAL

The paid - up Share Capital as on March 31, 2017 was Rs. 13,48,81,000/-

During the year under review, the Company issued 2,50,000 Equity Shares of Rs. 10 each at a premium of Rs. 190 each and 10,00,000 Equity Shares of Rs. 10 each at a premium of Rs. 190 each to Raymond Limited on Rights Basis. Further the Company issued 23,81,00 Equity Shares of Rs. 10 each at a premium of Rs. 199.99 each to Raymond Limited in lieu of and against conversion of 5,00,000 9% Non- Cumulative Compulsorily Convertible Preference Shares of Rs. 100 each.

The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity shares.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Changes in Directors and Key Managerial Personnel

During the year, there has been no change in the Composition of Board of Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Gautam Hari Singhania, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

During the year, 7 Board Meetings were convened and held as detailed below.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF BOARD MEETING						
		25.04.2016	13.05.2016	19.07.2016	29.08.2016	24.10.2016	08.11.2016	23.01.2017
1	Shri Gautam Hari Singhania	✓	-	✓	-	✓	-	✓
2	Shri R. A. Prabhudesai	✓	-	✓	✓	✓	✓	✓

3	Shri R. Narayanan	✓	✓	✓	✓	✓	✓	✓
4	Shri H. Sunder	✓	✓	✓	✓	✓	✓	✓
5	Shri Geethaa Ghaneckar	✓	✓	✓	-	✓	✓	✓
6	Shri Ram Bhatnagar	✓	✓	✓	✓	✓	✓	✓

B. Key Managerial Personnel (KMP)

As on March 31, 2017, the Company has the following Key Managerial Personnel:-

Sr. No.	Name of the Person	Designation	Date of Appointment
1	Shri Ram Bhatnagar	Manager	November 23, 2015
2	Shri Sandeep Kumar	Chief Financial Officer	April 25, 2014
3	Shri S. Murali	Company Secretary	November 01, 2011

C. Declaration by an Independent Directors and re-appointment

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

D. Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non - Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

12. COMMITTEE OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee has been constituted.

The Composition of the Committee as under:

1. Shri R. A. Prabhudesai : Independent Director, Chairman
2. Shri R. Narayanan : Independent Director, Member
3. Shri H. Sunder : Non-executive Director, Member

The terms of reference of the Committee are determined by the Board and their relevance is reviewed from time to time.

The Audit Committee Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF MEETING			
		25.04.2016	19.07.2016	24.10.2016	23.01.2017
1	Shri R. A. Prabhudesai	✓	✓	✓	✓
2	Shri R. Narayanan	✓	✓	✓	✓
3	Shri H. Sunder	✓	✓	✓	✓

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee on February 13, 2015. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Composition of the Committee is as under:

a. Shri R.A. Prabhudesai : Independent Director, Chairman
b. Shri R. Narayanan : Independent Director, Member
c. Shri H. Sunder : Non-executive Director, Member

The terms of reference of Nomination and Remuneration Committee are as under:

1. to help in determining the appropriate size, diversity and composition of the Board;
2. to recommend to the Board appointment/re-appointment and removal of Directors;
3. to frame criteria for determining qualifications, positive attributes and independence of Directors;
4. to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
5. to create an evaluation framework for Independent Directors and the Board;
6. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
7. delegation of any of its powers to any Member of the Committee or the Company Secretary.

During the year, only one Meeting of Nomination and Remuneration Committee was held on January 20, 2017. All the members were present at the Meeting.

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee and contributed an amount of Rs. 5 Lac in pursuance of its CSR. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as **"Annexure B".**

The policy is displayed on the webpage of the Company. The link is http://www.raymond.in/grp_sisk.asp#.VVneh-k9L4g.
The Composition of the Committee is as under:

a. Shri R. Narayanan : Chairman and Independent Director
b. Shri R.A. Prabhudesai : Independent Director, Member
c. Shri H. Sunder : Non-executive Director, Member

During the year, only one Meeting of CSR Committee was held on January 20, 2017. All the members were present at the Meeting.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower policy to report genuine concerns. The policy is displayed on the webpage of the Company. The link is http://www.raymond.in/grp_sisk.asp#.VVneh-k9L4g.

13. RELATED PARTY TRANSACTIONS

All the transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

14. RISK MANAGEMENT (DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY)

The Company is exposed to risks from market fluctuations of foreign exchange rates, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

15. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and

v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure C"** to this Report.

17. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure D"** to this Report.

18. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments between the end of the financial year and the date of this report, which affects the financial position of the Company.

19. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

20. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. There were no complaints filed against any of the employees of the Company under this Act.

21. AWARDS

During the year, your company won the following awards/ accolades:

- 'Gold Certificate of Merit' at Frost & Sullivan Indian Manufacturing Excellence Awards, 2016
- Third position at APEC Export Awards 2015-16 in the highest global exports category
- 'Best place to work', 22^{nd} rank in Asia by Great Place to work Institute, 2016
- Best Manufacturer Exporter Award in FKCCI (Large Category Silver)

22. ACKNOWLEDGEMENT

The Directors express their appreciation for the contribution made by employees at all levels but for whose hard work and support your Company's achievements would not have been possible. Your Directors also wish to thank customers, dealers, agents, suppliers and bankers for their support and faith in the Company.

For and on behalf of the Board of
Silver Spark Apparel Limited

sd/-	sd/-
Ram Bhatnagar	**H. Sunder**
Director	**Director**
DIN: 02313614	**DIN: 00020583**

Date: **April 27, 2017**
Place: **Mumbai**

ANNEXURE A

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Silver Spark Apparel Limited
New Hind House,
Narottam Morarjee Marg,
Ballard Estate, Mumbai- 400 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Silver Spark Apparel Limited (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under (Not applicable to the Company during audit period);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under is not applicable (Not applicable to the Company during audit period);

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings (Not applicable to the Company during audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(Not applicable to the Company during audit period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during audit period);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities of the Company are not listed on any Stock Exchange hence no comment is made about Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place, if any during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has passed following special resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. To modify the terms of the Preference Shares as 9% Non Cumulative Compulsory Convertible Preference Shares be converted into Equity Shares on due date.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 27, 2017

Annexure I

List of applicable laws to the Company

Under the Major Group and Head

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue laws of respective States;
8. Labour Welfare Act of respective States;
9. Trade Marks Act 1999 & Indian Copy Right Act, 1957;
10. The Legal Metrology Act, 2009;
11. Acts as prescribed under Shop and Establishment Act of various local authorities.

For Ashish Bhatt & Associates

sd/-

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: April 27, 2017

ANNEXURE B

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   The CSR Policy was approved by the Board of Directors at its Meeting held on February 13, 2015 and has been uploaded on the Company's webpage. A gist of the programs that the Company can undertake under the CSR policy is mentioned below.

   The web - link is http://www.raymond.in/grp_sisk.asp#.VVneh-k9L4g.

   The Company approved the projects related to the development and education of visually impaired students for the financial year 2016-17.

   The activities and funding are monitored internally by the Company.

2. **The Composition of the CSR Committee.**

1.	Shri R. Narayanan	: Independent Director, Chairman
2.	Shri H. Sunder	: Non-executive Director, Member
3.	Shri Ram Bhatnagar	: Non-executive Director, Member

3. **Average net profit of the Company for last three financial years**: Rs.26.70 crore.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**: The Company is required to spend Rs. 0.54 crore in the financial year 2016-17.

5. **Details of CSR spent during the financial year**

   a. Total amount to be spent for the financial year: Rs. 0.54 crore.
   b. Amount unspent, if any : Rs. 0.49 crore.
   c. Manner in which the amount spent during the financial year detailed below:

In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules 2014, Silver Spark Apparel Limited has collaborated with other companies for undertaking CSR projects. During the year under review the CSR Committee identified a project with a Non-Profit Organization, Sahachari Foundation ('The Foundation') for support to the Victoria Memorial School for the Blind.

The amount contributed by Company will be used for the following activities:

- Educational sponsorship for visually impaired students
- Operating expenses for the Library and Information Resource
- Skill development training in Information Technology for visually impaired students

The details are as under:

(Rs.in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR Project or Activities	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects programs Sub - heads : 1) Direct expenditure on projects (2) overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Sahachari Foundation- Support to the Victoria Memorial School for the Blind	Education	Mumbai	5.00	5.00	5.00	Direct
	TOTAL			5.00	5.00	5.00	

6. **In case the Company has failed to spend the two percent, of the average net profit of the latest three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report :**
There were no suitable CSR projects, which could meet the Company's internal guidelines. In the past, the Company spent its CSR entitlement on rural development project and in the current year approved CSR project for enhancement of vocation skills amongst the differently abled children. The Company is continuously making efforts to find out suitable CSR projects in which the Company can make CSR contribution in Project Program mode.

7. Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, we hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives which are in line with the CSR Objectives and Policy of the Company.

For **Silver Spark Apparel Limited**

sd/-

H. Sunder
Director
DIN: 00020583

For **Silver Spark Apparel Limited**

sd/-

R. Narayanan
Chairman of CSR Committee
DIN: 00631703

Date : **April 27, 2017**
Place: **Mumbai**

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY
(Approved by the Board of Directors on February 13, 2015)

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- ✓ Improving the quality of life in rural areas;
- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promoting healthcare including preventive healthcare;
- ✓ Employment enhancing vocational Skills;
- ✓ Promotion of education including investment in technology in schools;
- ✓ Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- ✓ Promoting sports including rural and Olympic sports;
- ✓ Contribution to funds for promoting technology;
- ✓ Investing in various rural development projects;
- ✓ Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- ✓ Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

ANNEXURE C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

a. By converting the street lights to LED we have achieved 50 % of saving in street lights electrical energy consumption.
b. Introducing of Energy management system for monitoring & optimal use of energy.
c. Conducting of Compressed Air study & arresting of air leakages by which a saving of 10% achieved on the Compressor electricity consumption.
d. For 15 SNLS & 3 Pick stitch machines has been upgraded from three phase motors to single phase energy efficient sewing motors.

B. TECHNOLOGY ABSORPTION

a. Development of one automatic indexer for functional button-hole machine. By which the productivity of the machines is increased by 40%.
b. Side seam & Centre back press machine, Front body press carousel machine and Shoulder pad machine in MTM has been upgraded from manual to automatic by applying PLC Technology. The Quality has been improved & productivity has been increased by 15%.
c. JKT Dart machine has been re-engineered using the new technology motion controllers & PLC by which the break down & efficiency has been improved.

C. The Company has not incurred any separate expenditure for Research and Development activities during the period under review.

D. Foreign exchange earnings and Outgo –

During the year under review foreign exchange earnings was Rs. 399.96 Crore (Previous Year: 379.51 Crore). The Foreign Exchange outgo during the year under review was Rs. 12.59 Crore (Previous year : Rs. 12.27 Crore).

Annexure D
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U72900MH2000PLC127831
2.	Registration Date	July 20, 2000
3.	Name of the Company	Silver Spark Apparel Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-government Company
5.	Address of the Registered office & contact details	New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400001 Maharashtra.
6.	Whether listed company	Unlisted Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Jackets	18101	60.17%
2	Trousers	18101	32.77%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1.	**Raymond Limited with its Nominees** Plot No. 156/H. No.2, Village Zadgaon, Ratnagiri 415 612, Maharashtra	L17117MH1925PLC001208	Holding Company	100%	Section 2(46)

2.	**Silver Spark Middle East (FZE)** Sharjah, UAE.	--	Subsidiary Company	100%	2(87)
3.	**Dress Master Apparel Private Limited** Plot Nos. 76 and 77, 6th Main, 3rd Phase, Peeenya Industrial Area, Bangalore KA 560058.	U31909KA1978PTC003267	Subsidiary Company	100%	2(87)
4.	**Silver Spark Apparel Ethiopia PLC** Shade No. 17, 18 and 19, Hawassa Industrial Park, Hawassa, Ethiopia	-	Subsidiary Company	100%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	N.A	70,00,000	70,00,000	100	N.A	84,88,100	84,88,100	100	N.A
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-

Sub-total (A) (1) :-	N.A	70,00,000	70,00,000	100	N.A	84,88,100	84,88,100	100	N.A
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	N.A	70,00,000	70,00,000	100	N.A	84,88,100	84,88,100	100	N.A
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**N.A**	70,00,000	70,00,000	**100**	**N.A**	84,88,100	84,88,100	**100**	**N.A**

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Raymond Limited and its Nominees	70,00,000	100	-	84,88,100	100	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change) There is no change during the year.

SN	Particulars	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1.	**Raymond Limited**					
	At the beginning of the year	70,00,000	100%		70,00,000	100%
	2,50,000 Equity Shares of Rs. 10 each at a premium of Rs. 190 each were allotted on Rights Basis on August 29, 2016				72,50,000	100%
	10,00,000 Equity Shares of Rs. 10 each at a premium of Rs. 190 each were allotted on Rights Basis on November 08, 2016				82,50,000	100%
	2,38,100 Equity Shares of Rs. 10 each at a premium of Rs. 199.99 each were allotted in lieu of and against conversion of 5,00,000 9% Non- Cumulative Compulsorily Convertible Preference Shares of Rs. 100 each on January 23, 2017				84,88,100	100%
	At the end of the year as on March 31, 2017	-	-		**84,88,100**	**100%**

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**Since the entire paid-up capital is held by Raymond Limited this is not applicable to the Company.**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6616.56	2707.76	-	9324.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13.83	-	-	13.83

Total (i+ii+iii)	6630.39	2707.76	-	9338.35
Change in Indebtedness during the financial year				
* Addition	615.57	6700.00	-	7316.57
* Reduction	1604.99	6700.00	-	8304.99
Net Change	989.42	0	-	989.42
Indebtedness at the end of the financial year				
i) Principal Amount	5611.33	2707.76	-	8319.09
ii) Interest due but not paid	16.5	-	-	16.5
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5627.83	2707.76	-	8335.59

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of ~~MD/WTD~~/ Manager	Total Amount
		Shri Ram Bhatnagar	
1	Gross salary		-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify…	-	-
5	Others, please specify	-	-
	Total (A)	-	-

B. Remuneration to other directors

(Rs. In Lac)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Shri R.A. Prabhudesai	Shri R. Narayanan	
	Fee for attending board committee meetings	3,50,000	4,00,000	7,50,000
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	3,50,000	4,00,000	7,50,000

2	Other Non-Executive Directors	Shri Gautam Hari Singhania	Shri H. Sunder	Smt. Geethaa Ghaneckar		
	Fee for attending board committee meetings	2,00,000	-	-		2,00,000
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (2)	2,00,000	-	-		2,00,000
	Total (B)=(1+2)					9,50,000
	Total Managerial Remuneration					**9,50,000**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs.in Lac)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Shri S. Murali	Shri Sandeep Kumar	
1	Gross salary	-	-		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	**52.60**	**52.60**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	**52.60**	**52.60**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SILVER SPARK APPAREL LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Silver Spark Apparel Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 25, 2016 and April 24, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements- Refer Note 37

(ii) The Company has long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 11

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 27, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Silver Spark Apparel Limited on the Ind AS financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Silver Spark Apparel Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being

made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai, April 27, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Silver Spark Apparel Limited on the Indian Accounting Standards (Ind AS) financial statements as of and for the year ended March 31, 2017.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2 to the Ind AS financial statements, are held in the name of the Company, except self-constructed immovable property (buildings).

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, duty of custom and value added tax which have not been deposited on account of any dispute. The particulars of dues of duty of excise as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	95.82	2005 to 2008	Central Excise and Service Tax Appellate Tribunal

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The provision of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 27, 2017

Silver Spark Apparel Limited

Balance Sheet as at 31st March, 2017

(Rs in lacs)

	Particulars	Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	2	10,609.94	11,326.67	11,705.12
	(b) Capital work - in - progress		4.54	7.19	-
	(c) Intangible assets	3	11.24	21.55	14.02
	(d) Investments in subsidiaries	4	4,023.18	1,052.63	-
	(e) Financial Assets				
	(i) Loans	5	2,729.05	2,330.92	17.40
	(ii) Others financial assets	6	252.56	232.97	216.85
	(f) Other non - current assets	7	12.80	-	30.16
	(g) Current Tax Assets (Net)		156.24	46.60	45.28
2	**Current assets**				
	(a) Inventories	8	7,631.54	8,041.92	7,823.93
	(b) Financial Assets				
	(i) Investments	9	-	-	502.10
	(ii) Trade Receivables	10	5,622.55	4,496.02	2,784.23
	(iii) Cash and cash equivalents	11	30.45	15.08	592.12
	(iv) Bank Balances other than Cash and Cash Equivalents	12	0.95	-	-
	(v) Loans	13	24.50	35.12	26.14
	(vi) Others financial asset	14	156.35	240.58	173.62
	(c) Other current assets	15	3,257.63	1,704.62	1,367.53
	TOTAL ASSETS		**34,523.52**	**29,551.87**	**25,298.50**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a) Equity share capital	16	1,348.81	1,700.00	700.00
	b) Other equity				
	(i)Equity component of compound financial instruments		-	-	391.43
	(ii) Retained earnings		12,907.39	7,876.53	6,098.70
	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	17	1,931.40	4,710.60	7,519.93
	(b) Deferred Tax Liabilities (Net)	33	1,365.04	1,426.64	1,608.20
	(c) Other Non Current Liabilities	18	851.55	965.84	1,022.98
	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	19	3,566.92	2,951.35	65.21
	(ii) Trade and payables	20	7,380.40	5,960.26	4,825.78
	(iii) Other financial liabilities	21	4,525.24	3,369.22	2,221.85
	(b) Other current liabilities	22	244.24	145.49	407.40
	(c) Short term provisions	23	373.06	317.50	414.47
	(d) Liabilities for Current Tax (Net)		29.47	128.44	22.55
	TOTAL LIABILITIES		**34,523.52**	**29,551.87**	**25,298.50**

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai: 27th April, 2017

For and on behalf of the Board of Directors

sd/- sd/-

Geethaa Ghaneckar
Director
DIN: 07121498

Ram Krishna Bhatnagar
Director
DIN: 02313614

sd/- sd/-

Murali S
Company Secretary

Sandeep Kumar
Chief Financial Officer

Mumbai: 27th April, 2017

Silver Spark Apparel Limited

Statement of Profit and Loss for the year ended 31st March, 2017

(Rs in lacs)

		Note	Year ended 31st March, 2017	Year ended 31st March, 2016
I	**Revenue from Operations**	24	42,688.70	42,340.08
	Other Income	25	1,733.97	465.10
	Total Income		**44,422.67**	**42,805.18**
II	**Expenses**			
	Cost of materials consumed	26	23,843.26	23,013.15
	Changes in inventories	27	235.06	29.63
	Manufacturing and Operating Costs	28	2,270.91	2,699.92
	Employee benefits expense	29	8,097.18	8,056.99
	Finance costs	30	833.72	1,075.12
	Depreciation and amortization expense	31	852.88	857.21
	Other expenses	32	5,040.60	4,897.77
	Total expenses		41,173.61	40,629.79
III	**Profit / (loss) before exceptional items and tax (I-II)**		3,249.06	2,175.39
IV	**Tax expense**	33		
	Current tax		1,138.41	953.88
	Deferred tax charge/(credit)		(64.17)	(175.79)
V	**Profit/(Loss) for the year (III+IV)**		2,174.82	1,397.30
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	39	7.43	41.63
	Tax on above		(2.57)	(14.41)
	Other Comprehensive Income for the year		4.86	27.22
VII	**Total Comprehensive Income for the year (V+VI)**		2,179.68	1,424.52
X	**Earnings per equity share of Rs. 10 each :**			
	Basic	44	28.65	19.96
	Diluted		28.65	19.96
	Nominal Value per share (in Rs.)		10.00	10.00

The accompanying notes are an integral part of these financial statements

As per our Report of even date

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Firm Registration Number: 102021W/ W100110

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Murali S
Company Secretary

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Sandeep Kumar
Chief Financial Officer

Mumbai: 27th April, 2017

Silver Spark Apparel Limited

Cash Flow Statement for the year ended 31st March, 2017

	Year ended 31st March,2017 Rs. In Lacs		Year ended 31st March,2016 Rs. In Lacs	
A) Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		3249.06		2175.39
Add/(Less):				
Loss on sale of Fixed assets	-		6.26	
Interest Income	(258.76)		(131.22)	
Provision for doubtful debts	1.33		-	
Provision no longer required	-		(2.67)	
Surplus on sale of investment	-		(85.60)	
Other Comprehensive Income	7.43		41.63	
Expenses for Increase in Authorised Capital	-		28.50	
Depreciation and amortisation	852.88		857.21	
Finance Costs	833.72		1075.12	
Government grant amortised	(57.14)	1,379.46	(57.14)	1,732.09
Operating Cash Profit Before Working Capital changes		**4,628.52**		**3,907.48**
Changes in working capital				
(Increase) / Decrease in Inventories	410.38		(217.99)	
(Increase) / Decrease in Trade Receivables	(1,127.86)		(1,699.46)	
(Increase) / Decrease in loans	10.62		(8.98)	
(Increase) / Decrease in Other Financial Assets	64.63		(83.07)	
(Increase) / Decrease in Other Current Assets	(1,958.17)		(418.76)	
Increase / (Decrease) in Trade Payables	1,681.79		1306.49	
Increase / (Decrease) in Other Financial Liabilities	(8.71)		642.60	
Increase / (Decrease) in Other Current Liabilities	155.92		(271.60)	
Increase / (Decrease) in Short Term Provisions	55.56		(96.97)	
Increase / (Decrease) in Non Current Liability	(114.29)	(830.13)	-	(847.74)
Less: Direct Taxes paid (Net)		1,347.02		849.31
Net Cash inflow/(outflow) from operating activities (A)		**2,451.37**		**2,210.43**
B. Cash flow arising from Investing Activities				
Inflow				
Sale of fixed assets	0.76		34.09	
Sale of Investments	-		587.70	
Interest income	266.28	267.04	122.39	744.18
Outflow				
Investment in share of a subsidiary	(2,970.55)		(1,052.63)	
Acquisition of fixed assets	(136.76)	(3,107.31)	(503.67)	(1,556.30)
Net Cash inflow/(outflow) from investing activities (B)		**(2,840.27)**		**(812.12)**
C. Cash flow from Financing Activities				
Inflow				
Loan from the Holding Company	1,000.00		6,700.00	
Additional Issue of Equity Shares	125.00		-	
Premium on issue of shares	2,375.00		-	
Increase /(Decrease) in Working Capital Loan from Banks	614.62	4,114.62	2,886.14	9586.14
Outflow				
Repayment of Non Current Financial Borrowings	(1,617.14)		(1,366.63)	
Repayment of Loan to the Holding Company	(1,000.00)		(6,700.00)	
Loan to the Subsidiary Company	(400.00)		(2,320.72)	
Finance Costs	(693.21)		(1,145.64)	
Expenses for Increase in Authorised Capital	-	(3,710.35)	(28.50)	(11561.49)
Net cash inflow/(outflow) from Financing activities (C)		**404.27**		**(1,975.35)**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		**15.37**		**(577.04)**
Add: Balance at the beginning of the year (Refer Note 11)		**15.08**		**592.12**
Cash and Cash equivalents at the close of the year (Refer Note 11)		**30.45**		**15.08**

Notes form an integral part of these financial statements

As per our Report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai: 27th April, 2017

For and on bahalf of the Board of Directors

sd/-
Geethaa Ghaneckar
Director
DIN: 07121498

sd/-
Ram Krishna Bhatnagar
Director
DIN: 02313614

sd/-
Murli S
Company Secretary

sd/-
Sandeep Kumar
Chief Financial Officer

Mumbai: 27th April, 2017

Silver Spark Apparel Limited

Statement of Changes in Equity

A . Equity share capital

	Notes	Ra. In Lacs
As at 1st April, 2015	16	700.00
As at 31 March, 2016		700.00
As at 31 March, 2017		848.81

B. Other Equity **(Rs in lacs)**

	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Equity Element of Preference Shares	Total
Balance as at 1st April, 2015	90.53	-	6,008.17	391.43	6,490.13
Equity Element of Financial Liablitity	-	-	391.43	(391.43)	-
Impact of conversion of financial liability in to equity (Refer Note below)	-	-	(58.29)	-	(58.29)
Reversal of deferred tax liability consequent to change in terms of financial instrument	-	-	20.17	-	20.17
Profit for the year	-	-	1,397.30	-	1,397.30
Other Comprehensive Income for the year	-	-	27.22	-	27.22
Total Comprehensive Income for the year	-	-	1,424.52	-	1,424.52
Balance as at 31st March, 2016	90.53	-	7,786.00	-	7,876.53
Balance as at 1st April, 2016	90.53	-	7,786.00	-	7,876.53
Securities premium on conversion of preferance share into equity shares	-	476.18	-	-	476.18
Premium on issue of shares	-	2,375.00	2,174.82	-	4,549.82
Other Comprehensive Income for the year	-	-	4.86	-	4.86
Total Comprehensive Income for the year	-	2,851.18	2,179.68	-	4,554.68
Balance as at 31st March, 2017	90.53	2,851.18	9,965.68	-	12,907.39

Note: Represent equity element of the preferance share referred to in note 17 net of deferred tax thereon.

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/ W100110

sd/-

Vipin R. Bansal
Partner
Membership No. 117753
Mumbai: 27th April, 2017

For and on behalf of the Board of Directors

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Geethaa Ghaneckar
Director
DIN: 07121498

sd/-
Ram Krishna Bhatnagar
Director
DIN: 02313614

sd/-
Murali S
Company Secretary

sd/-
Sandeep Kumar
Chief Financial Officer

Mumbai: 27th April, 2017

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Silver Spark Apparel Limited ('SSAL' or 'the Company') CIN 'U72900MH2000PLC127831' incorporated in India carries business of manufacturing and trading of Suit, Jacket, trousers. The company has its network of operations in local as well foreign market. Silver Spark Apparel Limited is 100% subsidiary of Raymond Limited.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) 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 and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation on Factory Building, Plant & Machinery, Electrical Installations and Electrical Equipments and Computers are provided on Straight Line Method (SLM) and on other assets is provided on Written down Value Method (W.D.V), over the estimated useful life of assets.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

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 the Statement of Profit and Loss.

(d) Intangible assets

Computer software
Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life
The Company amortizes computer software using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'First-in-First-Out', 'Weighted Average cost' or 'Specific identification' as applicable. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(h) Investments and other financial assets

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 the Statement of 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 the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of 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.

(ii) Measurement
At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

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

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:
The Company measures its investment in subsidiaries, jointventures and assocites at cost less immaprment if any. The company subsequently measures all equity investments other than above 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 the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the light to receive payment is established.

(i) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(j) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(k) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to statement of profit and loss.

(l) Provisions and contingent liabilities

Provisions 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.

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 risks specific to the liability. The increase in the provisions due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(m) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods
Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to transporter, in case of export sales place when goods are shipped onboard based on bill of lading. The Company also undertakes contract for converting Fabrics into Readymade Garments. Revenue from such contracts is recognized only after the work is completed and dispatched.

Revenue from services
Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives
Export Incentives under the "Duty Draw back Scheme" " Focus market scheme " and Focus Product linked scheme" etc. is accounted in the year of export.

(n) Employee benefits

(i) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity and

Gratuity obligations

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calcualted by acturay are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fundetc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company.The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(o) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(p) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(q) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

(r) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(s) Government Grant :

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions

Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Silver Spark Apparel Limited
Notes to the financial statements

2 Property, Plant and Equipment

(Rs in lacs)

	Freehold Land	Buildings	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Total
Gross Carrying Amount :								
Deemed cost as at 1st April, 2015	105.85	2,486.68	250.90	8,708.69	63.51	66.92	22.57	11,705.12
Additions	-	-	48.00	363.41	10.36	35.21	52.41	509.39
Disposals	-	-	-	10.31	-	10.68	-	20.99
Adjustment	20.14	-	-	-	-	-	-	20.14
Balance as at 31st March, 2016	85.71	2,486.68	298.90	9,061.79	73.87	91.45	74.98	12,173.38
Additions	-	-	-	96.24	-	30.00	0.36	126.60
Disposals	-	-	-	1.03	-	-	-	1.03
Adjustment	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	85.71	2,486.68	298.90	9,157.00	73.87	121.45	75.34	12,298.95
Accumulated Depreciation								
Additions	-	113.72	49.88	611.64	22.83	26.66	22.76	847.49
Disposals	-	-	-	0.29	-	0.49	-	0.78
Balance as at 31st March, 2016	-	113.72	49.88	611.35	22.83	26.17	22.76	846.71
Additions	-	112.20	53.88	613.51	14.74	20.41	27.83	842.57
Disposals	-	-	-	0.27	-	-	-	0.27
Balance as at 31st March, 2017	-	225.92	103.76	1,224.59	37.57	46.58	50.59	1,689.01
Net Carrying Amount :								
Balance as at 1st April, 2015	105.85	2,486.68	250.90	8,708.69	63.51	66.92	22.57	11,705.12
Balance as at 31st March, 2016	85.71	2,372.96	249.02	8,450.44	51.04	65.28	52.22	11,326.67
Balance as at 31st March, 2017	85.71	2,260.76	195.14	7,932.41	36.30	74.87	24.75	10,609.94

Note :

(a) Refer to note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment .

(b) Refer Note 35 For information on property, plant and equipment pledged as security by the Company.

(c) Buildings include deemed cost of Rs. 553.12 lacs constructed on Land leased from the Holding Company - Raymond Ltd.

(d) Adjustment in Land represents differential stamp duty written back upon free hold land being registered in the name of the company during the year.

3 Intangible assets **(Rs in lacs)**

	Computer Software #	Total
Gross Carrying Amount :		
Balance as at 1st April, 2015	14.02	14.02
Additions	17.25	17.25
Disposals	-	-
Balance as at 31st March, 2016	31.27	31.27
Additions		-
Disposals	-	-
Balance as at 31st March, 2017	31.27	31.27
Accumulated Depreciation :		
Additions	9.72	9.72
Disposals	-	-
Balance as at 31st March, 2016	9.72	9.72
Additions	10.31	10.31
Disposals	-	-
Balance as at 31st March, 2017	20.03	20.03
Net Carrying Amount :		
Balance as at 1st April, 2015	14.02	14.02
Balance as at 31st March, 2016	21.55	21.55
Balance as at 31st March, 2017	11.24	11.24

Other than internally generated

Silver Spark Apparel Limited
Notes to the financial statements

4 Non Current Investments (Rs. In Lacs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
Investment in subsidiaries						
Unquoted						
Equity Instruments at Cost						
Dress Master Apparel Limited (Equity Shares of Rs. 100 each)	12000	1,052.63	12000	1,052.63	-	-
Silver Spark Middle East FZE (Equity Shares Of Rs. 150000 AED Each)	109	2,970.55	-	-	-	-
Total	**12109**	**4,023.18**	**12000**	**1,052.63**	**-**	**-**

Note :-
The company had acquired entire 12000 equity shares of Rs. 100 each in Dress Master Apparel Private Ltd. (formerly Robot System Pvt. Ltd.), a wholly owned subsidiary of Gokaldas Exports Ltd. on 10th Sept,2015 as per Share Purchase Agreement (SPA) entered on 3rd April 2015.

5 Non-Current Loans (Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans to related parties (Refer Note 40)	2,720.72	2,320.72	-
Loans to employees	8.33	10.20	17.40
Total	**2,729.05**	**2,330.92**	**17.40**

Refer note 42 for information about credit risk and market risk for loans.

6 Other Non-Current Financial assets (Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Deposits	252.56	232.97	216.85
Total	**252.56**	**232.97**	**216.85**

7 Other non-current assets (Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	12.80	-	30.16
Total	**12.80**	**-**	**30.16**

8 Inventories (Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	2,587.76	2,333.02	2,082.95
Raw Materials - In Transit	1,223.51	1,669.54	1,662.55
Work-in-progress	321.47	253.08	237.32
Finished goods	3,200.06	3,491.30	3,524.70
Stores and Spares	134.21	118.24	127.68
Accumulated Costs on conversion contracts			
Completed	86.96	168.26	168.76
In Process	77.57	8.48	19.97
Total	**7,631.54**	**8,041.92**	**7,823.93**

9 Current Investments

(Rs in lacs)

	As at 31st March,	As at 31st March, 2016		As at 1st April, 2015	
	No. of Units	No. of Units	Amount	No. of Units	Amount
Investment in Mutual Funds at Fair Value through P&L					
Unquoted					
Kotak Floater Short Term - Direct Plan - Growth (Units of RS. 1000 each)	-	-	-	21875	502.10
Total			-	21875	502.10

Refer note 42 for information about fair value measurement, credit risk and market risk of investments.

10 Trade receivables

(Rs in lacs)

	As at 31st March,	As at 31st March, 2016	As at 1st April, 2015
Trade Receivable		3,254.23	2,210.40
Receivable from Related parties (refer note 40)		1,262.70	594.74
Less: Allowance for bad and doubtful debts		(20.91)	(20.91)
Total		4,496.02	2,784.23

The movement in Allowance for bad and doubtful debts is as follows:

	As at 31st March,	As at 31st March, 2016	As at 1st April, 2015
Balance as at beginning of the year		20.91	20.91
Allowance for bad and doubtful debts during the year		-	-
Trade receivables written off during the year		-	-
Balance as at the end of the year		20.91	20.91

Refer note 42 for information about credit risk and market risk of trade receivables.

11 Cash and cash equivalents

(Rs in lacs)

	As at 31st March,	As at 31st March, 2016	As at 1st April, 2015
Cash on hand		4.42	4.15
Balances with Banks			
In current accounts		10.66	12.97
Term deposits with original maturity of less than three months		-	575.00
Total		**15.08**	**592.12**

Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8th November 2016 to 30th December 2016

(Rs. in lacs)

Particular	**SBNs***	**Total**
Closing cash in hand as on 8th November 2016	8.46	8.49
(+) Permitted Receipts	-	14.25
(-) Permitted Payments	-	9.19
(-) Amount deposited in Banks	8.46	8.46
Closing cash in hand as on 30th December 2016	-	**5.10**

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

12 Bank Balances other than Cash and Cash Equivalents

(Rs. in lacs)

	As at 31st March,	As at 31st March, 2016	As at 1st April, 2015
Margin Money Deposits (Held as lien by bank against bank guarantee)		-	-
Total		-	-

13 Current Loans

(Rs in lacs)

	As at 31st March,	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans to employees		35.12	26.14
Total		**35.12**	**26.14**

Refer note 42 for information about credit risk and market risk for loans.

14 Other Current Financial Assets (Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Mark to market on derivative financial instruments	156.35	240.58	173.62
Total	**156.35**	**240.58**	**173.62**

Refer note 42 for information about credit risk and market risk of trade receivables.

15 Other current assets (Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Export benefits receivable	1,494.49	826.56	708.57
Interest Subsidy receivable	13.12	150.96	76.68
Interest receivable	4.39	11.91	3.08
Advances to Suppliers	261.67	172.00	234.55
Balances with government authorities	335.65	325.59	265.36
Prepaid Expense - Deferred cost	0.80	12.40	19.94
Prepaid expenses	27.10	58.77	39.79
Receivable from related parties (Refer Note 40)	792.68	-	-
Advances to related parties (Refer Note 40)	251.20	-	-
Other advances	33.86	127.99	1.50
Other assets			
Unsecured, considered good	42.67	18.44	18.06
Unsecured, considered doubtful	0.58	0.58	0.58
Less: Allowance for bad and doubtful assets	(0.58)	(0.58)	(0.58)
Total	**3,257.63**	**1,704.62**	**1,367.53**

16 Equity Share capital

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
4,00,00,000 [31st March, 2016: 4,00,00,000 and 1st April, 2015: 1,00,00,000] Equity Shares of Rs.100 each	4,000.00	4,000.00	1,000.00
1.000.000[31st March,2016 : 1,000,000 and 1st April,2015 : 1,000,000] Preference Shares of Rs.100 each	1,000.00	1,000.00	1,000.00
Issued			
84,88,100 [31st March, 2016: 80,00,000 and 1st April, 2015: 80,00,000] Equity Shares of Rs.10 each	848.81	800.00	800.00
5,00,000 [31st March,2016 : 1,000,000 and 1st April,2015 : 1,000,000] Preference Shares of Rs.100 each	500.00	1,000.00	1,000.00
Subscribed and fully paid up			
84,88,100 [31st March, 2016: 70,00,000 and 1st April, 2015: 70,00,000] Equity Shares of Rs.10 each	848.81	700.00	700.00
5,00,000 [31st March,2016 : 1,000,000 1st April,2015 : 1,000,000] 7% Preference shares of Rs.100 each	500.00	1,000.00	-
Total	1,348.81	1,700.00	700.00

a) Reconciliation of number of shares

	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	70,00,000	700.00	70,00,000	700.00
Add: Share Issued during the year	12,50,000	125.00		
Add : Conversion of preference shares into equity share (Refer note below)	2,38,100	23.81	-	-
Balance at the end of the year	84,88,100	848.81	70,00,000	700.00
Preference Shares :				
Balance as at the beginning of the year	10,00,000	1,000.00	10,00,000	1,000.00
Less : Conversion of preference shares into equity share	5,00,000	500.00	-	-
Balance at the end of the year	5,00,000	500.00	10,00,000	1,000.00

Preference shares shown as financial liability as at the transition date. These are classified as equity instruments as at March 31, 2016, consequent to the modification in the terms of these Preference shares, effective April 1, 2015, subsequent to transition to Ind AS. The fair value of preference share liability derecognised is the same as carrying value. The difference between the fair value of equity instruments, and the fair value of preference share liability, has been recognised as capital contribution in the Other Equity.

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares:

* Effective 1st April 2015, the terms of the Preference Shares have been modified as under:

9% Non-Cumulative Compulsory Convertible Preference Shares (NCCPS) will be converted into 476200 number of equity shares of Rs 10 each at a premium of Rs 200/-

Each shareholder of Compulsarily Convertible Preference Shares (CCPS) is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to CCRPS. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The Company has an option to redeem the said shares at par.In the event of liquidation of the Company, the holders of CCPS will have priority over equity shares in payment of dividend and repayment of capital.

Previous year

7% Non-Cumulative Redeemable Preference Shares

Each shareholder of Non Cumulative Redeemable Preference Shares (NCRPS) is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to NCRPS. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The NCRPS were convertible into equity shares at par at the option of shareholder at the end of seven years from the date of orginal allotment which has not been excercised. Further the earliest date of redemption of NCRPS was extended and the revised earliest date of redemption of NCRPS is as under. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The Company has an option to redeem the said shares at par.

c) Shares held by Holding Company

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares of Rs. 10 each held by:			
8,488,100 Equity shares [March 31, 2016: 7,000,000; April 01, 2015: 7,000,000 shares] held by Raymond Limited	84,88,100	70,00,000	70,00,000
Preference Shares of Rs. 100 each held by:			
5,00,000 Preference shares [March 31, 2016: 10,00,000; April 01, 2015: 10,00,000 shares] held by Raymond Limited	5,00,000	10,00,000	10,00,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	%	No. of Shares	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited	100	84,88,100	100	70,00,000	100	70,00,000
Preference shares held by Raymond Limited	100	5,00,000	100	10,00,000	100	10,00,000

Silver Spark Apparel Limited
Notes to the financial statements

17 Non Current Borrowings

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Term Loan From banks	923.44	2,002.64	3,870.27
	923.44	2,002.64	3,870.27
Unsecured			
Loans from Holding Company - Raymond Limited (*)	1,007.96	2,707.96	2,707.96
7% Non- Cumulative Redeemable Preference Shares (#)	-	-	941.70
	1,007.96	2,707.96	3,649.66
Total	**1,931.40**	**4,710.60**	**7,519.93**

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security	Terms of Repayment
(i) Term loan amounting to Rs. 168.37 Lacs (Rs. 224.50 Lacs March 31,2016) (March 31, 2015 : Rs 280.62 Lacs) is secured by way of First Pari Passu charge on the entire moveable properties of the Company.	Repayable in 32 quarterly installments commencing from 30th March, 2013 and last installment due on 30th March, 2020. Rate of interest as at year end 11.88% (March 31, 2016 :11.88 % p.a. & 31st March,2015 : 11.88 % p.a.)**
(ii) Term loan amounting to Rs. 5.36 Lacs (Rs. 7.15 Lacs March 31,2016) (March 31, 2015: Rs 8.94 Lacs) is secured by way of First Pari Passu charge on the entire moveable properties of the Company.	Repayable in 32 quarterly installments commencing from 30th March, 2013 and last installment due on 30th March, 2020. Rate of interest as at year end 11.88% (March 31,2016 :11.88 % p.a. & 31st March,2105 : 11.88% p.a.)**
(iii) Term loan amounting to Rs. 646.00 Lacs (Rs. 680.00 lacs March 31,2016) (March 31, 2015: Rs 680.00 Lacs) is secured by first and exclusive charge on the moveable assets acquired our of the loan.	Repayable in 20 quarterly installments commencing from 18th October, 2016 and last installment due on 18th October, 2021. Rate of interest as at year end 10.85% (31st March,2016 :10.80% p.a. & 31st March,2015 : 11.50% p.a.)
(iv) Term loan amounting to Rs. 123.50 lacs (Rs. 130.00 lacs March 31,2016) (March 31, 2015 : Rs 130.00 Lacs) is secured by first and exclusive charge on the moveable assets acquired out of the loan.	Repayable in 20 quarterly installments commencing from 18th October, 2016 and last installment due on 18th October, 2021. Rate of interest as at year end 10.85% (31st March, 2016 :10.80% p.a. & 31st March,2015 : 11.50% p.a)
(v) Term loan amounting to Rs. 375.00 Lacs (Rs. 750.00 Lacs March 31,2016) (March 31, 2015: Rs. 1,125.00 Lacs) is Secured by way of First Pari Passu charge on the entire moveable properties of the Company and second charge on current assets of the Company.	Repayable in 16 quarterly installments commencing from 1st April, 2014 and last installment due on 1st January, 2018. Rate of interest as at year end 11.25% (31st March, 2016 : 11.25 % p.a. & 31st March,2015 & 11.75 % p.a.)
(vi) Term loan amounting to Rs. 256.06 Lacs (Rs. 1131.06 Lacs March 31,2016) (March 31, 2015: Rs. 1,796.06 Lacs) is Secured by way of first charge on the entire moveable assets located at Gauribidanur Plant and exlusive first charge on the immoveable properties located at Gauribidanur Plant. ***	Repayable in 16 quarterly installments commencing from 1st October, 2013 and last installment due on 1st July, 2017. Rate of interest as at year end 11.75% (31st March,2016 : 12.00% p.a. & 31st March,2015 : 12.50% p.a) **
(vii) Term loan amounting to Rs. 472. 50 Lacs (Rs. 742.50 lacs March 31,2016) (March 31, 2015: Rs.1,012.50 Lacs) is Secured by way of first charge on the entire moveable assets located at Gauribidanur Plant and exlusive first charge on the immoveable properties located at Gauribidanur Plant.***	Repayable in 20 quarterly installments commencing from 1st February, 2014 and last installment due on 1st November, 2018. Rate of interest as at year end 11.50% (31st March,2016 : 11.75% p.a.& 31st March,2015 : 12.25 % p.a)**

* Unsecured Loan from Raymond Limited of Rs 1,700.00 Lacs is due for repayment on 30th April 2017 and loan of Rs 1,007.96 Lacs is due for repayment on 30th April, 2018. These loans carry interest of 10.5% per annum.

** Rate of interest is without considering interest subsidy under TUF scheme.

Note: Instalment of loans falling due within next twelve months aggregating Rs. 2820.97 Lacs (Rs. 1658.91 Lacs March 31,2016) (Rs 1,157.91 Lacs March 31, 2015) have been grouped under current maturities of long term debt. (Refer Note 21)

*** The Company is still under process for registration of charges on the immovable assets.

Term loan from banks is net of unamortised loan processing cost amounting to Rs. 2.38 Lacs (Rs. 3.66 lacs March 31,2016) (Rs. 4.94 March 31,2015)

Represents present value of the future cash to be paid for the preference share.

Silver Spark Apparel Limited
Notes to the financial statements

18 Other non current liabilities

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Government Grant relating to assets	851.55	965.84	1,022.98
	851.55	**965.84**	**1,022.98**

Note :

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(s)). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment (Refer Note 2).

2) Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(s)). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 36.

19 Current Borrowings

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<u>Secured</u>			
Loans repayable on demand from banks (Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery)	3,566.92	2,951.35	65.21
Total	**3,566.92**	**2,951.35**	**65.21**

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 35

20 Trade payables

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables			
Amounts due to related parties [Refer note 40]	4,431.24	4,322.35	2,757.54
Others	2,949.16	1,637.91	2,068.24
Total	**7,380.40**	**5,960.26**	**4,825.78**

Refer note 34 for MSME disclosure
Refer note 42 for information about liquidity risk and market risk of trade payables

21 Other financial liabilities

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Current maturities of long-term debt (Refer Note 17)	2,820.97	1,658.91	1,157.91
(b) Interest accrued	16.50	13.83	10.07
(c) Salary and Wages payable	1,687.77	1,696.48	933.87
(d) Other payables	-	-	120.00
Total	**4,525.24**	**3,369.22**	**2,221.85**

22 Other current liabilities

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance from customers	-	9.66	282.34
Statutory Dues	187.10	135.83	125.06
Government Grants Relating to Assets (Refer Note 18)	57.14	-	-
Total	**244.24**	**145.49**	**407.40**

23 Short Term Provisions

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Gratuity (Refer Note 39)	80.57	67.22	166.86
Provision for Leave Entitlement	292.49	250.28	247.61
Total	**373.06**	**317.50**	**414.47**

Silver Spark Apparel Limited
Notes to the financial statements

24 Revenue from Operations **(Rs. In Lacs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Sale of Products	38,396.52	37,901.78
Sales of Services		
(i) Job Work	3,145.19	3,608.33
Other operating revenue		
(i) Export Incentives, etc	1,102.77	803.14
(ii) Process waste sale	44.22	26.83
Total	**42,688.70**	**42,340.08**

25 Other income **(Rs. In Lacs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest income	258.76	131.22
Exchange Fluctuation - Others (net)	585.39	174.87
Net Gain on sale of investments	-	85.60
Goverment Grant relating to assets (Refer Note 2)	57.14	57.14
Other non-operating income	832.68	13.60
Provision no longer required	-	2.67
Total	**1,733.97**	**465.10**

26 Cost of materials consumed **(Rs. In Lacs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
Raw materials consumed		
Opening Stock	2,333.02	2,082.95
Purchases	24,159.69	23,350.32
Less : Sales	61.69	87.10
Less : Closing Stock	2,587.76	2,333.02
Total	**23,843.26**	**23,013.15**

Note: Provision of Inventories amounting to Rs. 48.19 Lakhs as at 31st March 2017 (31st March 2016 Rs.75.84 Lakhs; 1st April 2015 Rs. Nil Lakhs). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

Silver Spark Apparel Limited
Notes to the financial statements

27 Changes in inventories of finished goods (including stock-in-trade) ,work-in-progress and accumulated cost of conversion :

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Opening inventories		
Finished goods	3,491.30	3,524.70
Work-in-progress	253.08	237.32
Accumulated cost of conversion contracts		
Completed	168.26	168.76
In Process	8.48	19.97
	3,921.12	**3,950.75**
Closing inventories		
Finished goods	3,200.06	3,491.30
Work-in-progress	321.47	253.08
Accumulated cost of conversion contracts		
Completed	86.96	168.26
In Process	77.57	8.48
	3,686.06	**3,921.12**
Excise duty on increase/ (decrease) of finished goods		
Total	**235.06**	**29.63**

28 **Manufacturing and Operating Costs**

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Consumption of stores and spare parts	691.46	671.39
Power and fuel	709.85	702.91
Job work charges	396.97	992.15
Repairs to buildings	95.01	52.83
Repairs to machinery	93.60	81.08
Other Manufacturing and Operating expenses	174.99	198.51
Excise Duty	109.03	1.05
Total	2,270.91	2,699.92

29 **Employee benefits expense**

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries and wages	6,949.04	7,012.46
Contribution to provident funds and other funds	500.28	465.68
Defined benefit plan expense (Refer note 39)	140.39	148.97
Workmen and Staff welfare expenses	507.47	429.88
Total	**8,097.18**	**8,056.99**

30 Finance costs (Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest expense (Net of interest subsidy under TUF Scheme of Rs. 13.00 Lacs. Previous year Rs.75.07 Lacs)	832.57	1,073.95
Other borrowing costs	1.15	1.17
Total	**833.72**	**1,075.12**

31 Depreciation and amortization expense (Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Depreciation on Property, Plant and Equipment	842.57	847.49
Amortization on Intangible assets	10.31	9.72
Total	**852.88**	**857.21**

32 Other expenses (Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Rent (Refer note 38)	200.53	204.71
Insurance	104.76	68.42
Rates and Taxes	13.26	7.81
Commission to selling agents	980.13	913.87
Freight, Octroi, etc	1,804.31	1,857.89
Legal and Professional Expenses	209.66	233.76
Director Fees	10.92	9.12
Loss on sale of assets	-	6.26
Expenditure toward Corporate Social Responsibility (CSR) activities	-	56.00
Contribution to charitable funds	6.05	5.47
Security Charges	194.28	146.93
IT outsourcing Cost	48.95	43.70
Debit Balances Written off	20.91	-
Less : Provision written back	(20.91)	-
Provision for doubtful debts	1.33	-
Miscellaneous Expenses	1,466.42	1,343.83
Total	**5,040.60**	**4,897.77**

A Details of Payments to Auditor (Included in Legal and Professional expenses)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Audit Fees	18.40	16.03
Other Services	5.49	2.17
Reimbursement Expenses	0.45	0.41
Total	24.34	18.61

B Corporate social responsibility expenditure

	Year ended 31st March, 2017	Year ended 31st March, 2016
a) Gross amount required to be spent by the Company during the year	54.00	56.00
b) Amount spent during the year	-	56.00
Total	54.00	-

During the year ended 31st March 2017 the Company was required to spend Rs. 54 Lakhs (Previous year: Rs. 56 Lakhs) towards the CSR activities out of which an amount of Rs. Nil Lakhs (Previous period: Rs. 56 Lakhs) paid to towards Integrated Livestock Development Centre. The programmes includes improving production of milk, reducing malnutrition, creating employment for local youth and allevation of poverty. The balance unspent amount is Rs. 54 Lakhs. The Company is continuously making efforts to find out suitable CSR projects in which the Company can make CSR contribution in Project Program mode.

33 Income Tax

Tax expense recognised in the Statement of Profit and Loss

(Rs. In Lacs)

	Year ended 31st March,2017	Year ended 31st March,2016
Current tax		
Current year	1,138.41	953.88
Adjustments for Comprehensive Income	-	
Total current tax	1,138.41	953.88
Deferred tax		
Origination and reversal of temporary difference	(64.17)	(175.79)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	(64.17)	(175.79)
Total income tax expense/(credit)	1,074.24	778.09

939.47

A reconciliation between the statutory income tax rate applicable to the Company and the effective

(Rs. In Lacs)

Reconciliation of effective tax rate	Year ended 31st March,2017	Year ended 31st March,2016
Profit before Tax	3,249.06	2,175.39
Enacted income tax rate in India	34.61%	34.61%
Income tax expenses as per enacted rate	1,124.43	752.87
Differences due to:		
Expenses not deductible for tax purposes	2.09	5.02
Prior period tax expenses	(53.33)	7.00
Others: Share Issuance Exp	1.04	13.20
Total	**1,074.24**	**778.09**
Effective Tax rate	33.06	35.77

The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

Movement during the year ended March 31, 2016 and March 31,2017	As at 1st April, 2015	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	Credit/(charge) direct to equity	As at 31st March, 2016	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2017
Deferred tax assets/(liabilities)								
Provision for post retirement benefits and other employee benefits	126.46	213.48	(14.41)	-	325.53	10.23	(2.57)	333.19
Provision for doubtful debts and advances	7.23		-	-	7.23	(6.77)	-	0.46
Expenses allowable for tax purposes when paid	(20.17)		-	20.17	-	-	-	
Depreciation	(1,674.59)	(36.24)	-	-	(1,710.83)	12.14	-	(1,698.69)
Fair value gains/losses	(47.13)	(1.45)	-	-	(48.57)	48.57	-	-
Total	(1,608.20)	175.79	(14.41)	20.17	(1,426.64)	64.17	(2.57)	(1,365.04)

Silver Spark Apparel Limited
Notes to the financial statements

34 **The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.** (Rs. In Lacs)

	31st March,2017		31st March,2016		As at 1st April, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	-	-	-	-	-	31.38
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-	-	-	3.54
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-	-	-	306.62
Interest paid, other than under Section 16 of MSMED Act, 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, for payments already made	-	-	-	-	-	3.54
Further interest remaining due and payable for earlier years	-	-	-	-	-	-

Silver Spark Apparel Limited
Notes to the financial statements

35 Assets Pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are: **(Rs in lacs)**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets			
Cash and cash equivalents	30.45	15.08	592.12
Receivables	5,622.55	4,496.02	2,784.23
Inventories	7,631.54	8,041.92	7,823.93
Total	**13,284.54**	**12,553.02**	**11,200.28**
Immovable Assets			
Buildings	2,260.76	2,372.96	2,486.68
Plant & equipment	7,932.41	8,450.44	8,708.69
Total	**10,193.17**	**10,823.40**	**11,195.37**
Movable Assets			
Furniture & fixtures	36.30	51.04	63.51
Vehicles	74.87	65.28	66.92
Office equipment	24.75	52.22	22.57
Total	**135.92**	**168.54**	**153.00**
Total assets pledged as security	**23,613.63**	**23,544.96**	**22,548.65**

36 Commitments

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Capital Commitments			
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:			
Property, plant and equipment	32.73	5.22	77.39
	32.73	5.22	77.39
Less: Capital advances	12.80	-	30.16
Net Capital commitments	19.93	5.22	47.23
(b) Other Commitments			
Guarantees given by the Company's Bankers / Bonds / Letter of Undertaking executed by the Company to Government Authorities for purchase under concessional duty / exemption scheme in respect of (net of obligation fulfilled):			
- Capital Goods	150.18	86.58	226.56
- Raw Materials	2,243.92	847.35	1,512.53
Total Other Commitments	2,394.10	933.93	1,739.09
Total Commitments	2,414.03	939.15	1,786.32

37 Contingent liabilities and Contingent Assets (to the extent not provided for)

(Rs in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Contingent Liabilities			
Claims against the Company not acknowledged as debts :-			
ESIC	8.36	8.36	8.36
Excise Matters	95.82	95.82	95.82
Income Tax	26.05	26.05	23.01
Total	130.23	130.23	127.19

Future Cash Flows in respect of above are determinable only on receipt of judgements/decision pending with various authorities/forum

The income tax authorities carried out search and seizure operations on the premises of the Company in the financial year 2011-12. On the basis of notice received under section 153 A of the IT Act, 1961, the Company had submitted returns of income and also provided the necessary details / informations.

During the previous year block assessment for the Assessment years 2006-07 to 2011-12 has been completed. The Company has filed appeal against the disallowance made on the said order of assessment and is confident to getting relief from the appellate authorities.
The Company did not have any contingent assets as at the year end.

38 **Lease** **(Rs in lacs)**

	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Premises taken on operating lease:		
The Company's significant leasing arrangements are in respect of residential flats and office premises taken on lease. The arrangements range between 11 months to 3 years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.		
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	149.32	140.67
For a period later than one year and not later than five years	239.04	47.55
For a period later than five years	-	-

39 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2017, 2016 and 1st April, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes (Gratuity):

A. Balance Sheet

(Rs. in lacs)

	Defined benefit plans As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Present value of plan liabilities	547.95	460.07	405.08
Fair value of plan assets	467.39	392.85	238.22
Plan liability net of plan assets	80.56	67.216	166.86

B. Movements in plan assets and plan liabilities

(Rs. in lacs)

	Year ended 31st March, 2017			Year ended 31st March, 2016		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	392.85	460.07	(67.22)	238.22	405.08	(166.86)
Current service cost	-	134.83	(134.83)	-	135.95	(135.95)
Return on plan assets excluding amounts included in net	2.70	-	2.70	18.58	-	18.58
Difference in fair value of plan assets	(1.81)	-	(1.81)	1.80	-	1.80
Interest cost	31.48	37.03	(5.55)	-	31.60	(31.60)
Actuarial (gain)/loss arising from changes in financial assumptions	-	29.06	(29.06)	-	(10.17)	10.17
Actuarial (gain)/loss arising from experience adjustments	-	(33.79)	33.79	9.45	(22.01)	31.46
Employer contributions	89.76	-	89.76	182.63	-	182.63
Benefit paid directly by the employer	-	(31.66)	31.66		(22.55)	22.55
Benefit payments	(47.59)	(47.59)	-	(57.83)	(57.83)	-
As at 31st March	467.39	547.95	(80.56)	392.85	460.07	(67.22)

The weighted average duration of the defined benefit plans is 8 years (2015-16 : 8 Years)
The expected contribution to the funded plans in financial year 2017-18 : 238.45 Lacs (2016-17 : 203.84 Lacs)

C. Statement of Profit and Loss

(Rs. in lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Employee Benefit Expenses:		
Current service cost	134.83	135.95
Total	134.83	135.95
Finance cost/(income)	5.56	13.02
Net impact on the Profit / (Loss) before tax	140.39	148.97
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	2.70	9.45
Actuarial gains/(losses) arising from changes in financial assumptions	(29.06)	10.17
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	33.79	22.01
Net impact on the Other Comprehensive Income before tax	7.43	41.63

D. Assets

(Rs. in lacs)

	Defined benefit plans As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unquoted			
Insurer managed funds	467.39	392.85	238.21
Total	467.39	392.85	238.21

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assumptions			
Discount rate	7.42%	8.05%	7.80%
Salary Escalation Rate	7.50%	7.50%	7.50%

F. Sensitivity

(Rs. in lacs)

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:	Year ended 31st March, 2017			Year ended 31st March, 2016		
	Change in assumption	Increase in assumption by 1%	Decrease in assumption by 1%	Change in assumption	Increase in assumption by 1%	Decrease in assumption by 1%
Discount rate	1%	(44.88)	52.41	1%	(37.06)	43.17
Salary Escalation Rate	1%	51.84	(45.24)	1%	42.97	(37.56)
Attrition Rate	4%	(22.01)	24.40	4%	(13.68)	10.65

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

(Rs. in lacs)

Year ending 31 March,	Defined benefit obligation As at 31st March, 2017	As at 31st March, 2016
2017	31.46	22.05
2018	35.63	31.29
2019	43.21	39.07
2020	46.91	42.64
2021	50.10	44.94
Thereafter	238.28	213.59

Silver Spark Apparel Limited
Notes to the financial statements

40 Related Party Disclosures as per Ind As-24

1. Relationship

a) Holding Company
Raymond Ltd.

b) Wholly owned Subsidiary Companies :
Dress Master Apparel Pvt. Ltd. (w.e.f. 10th Sept, 2015) - India
Silver Spark Middle East (FZE) (w.e.f. 06th April, 2016) - United Arab Emirates
Silver Spark Apparel Ethiopia PLC (w.e.f. 10th August, 2016) - Ethiopia

c) Fellow subsidiary Companies with whom transactions have taken place during the year :
Raymond Apparel Limited
Celebrations Apparel Limited
Everblue Apparel Limited
Colorplus Fashions Limited
Raymond (Europe) Limited
Raymond Luxury Cottons Limited.

d) Key Management Personnel and their enterprises where transactions have taken place:
Silver Soaps Private Limited
Avani Agricultural Farms Private Limited
Shri Gautam Hari Singhania
Shri Sunder Hariharan
Shri R. A. Prabhudesai
Shri R. Narayanan
Shri Ram Krishna Bhatnagar
Smt. Geethaa Ghaneckar

e) Trust
Silver Spark Apparel Limited Employees Gratuity Fund

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs In Lacs)

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above
Income					
Job Work charges	889.75	502.79	551.41 *	-	-
	(770.23)	(59.80)	(1663.51)	(-)	(-)
Sales	11.33	822.88	4801.55 **	-	-
	(12.87)	(0.10)	(5654.65)	(-)	(-)
Others reimbursement	-	186.53	56.28 ***	-	-
	(110.08)	(211.05)	(49.08)	(-)	(-)
Professional Fees	-	12.52	-	-	-
	(-)	(-)	(-)	(-)	(-)
Purchase	10859.20	-	80.61 ^	-	-
	(11784.82)	(-)	(30.10)	(-)	(-)
Expenses					
Rent	39.49	-	-	39.05 ^^	-
	(38.42)	(-)	(-) $	(40.80)	(-)
Job Work charges	-	304.31	0.43	-	-
	(-)	(331.05)	(-)	(-)	(-)
Commission	-	-	891.98 #	-	-
	(-)	(-)	(838.51)	(-)	(-)
Others reimbursement		1.04	380.71 ^^^	-	-
	(7.17)	(-)	(21.02)	(-)	(-)
Directors sitting fees	-	-	-	10.92	-
	(-)	(-)	(-)	(9.12)	(-)
Paid to Trust - Employees Gratuity Fund contribution	-	-	-	-	89.76
	(-)	(-)	(-)	(-)	*182.63*
Finance					
Unsecured Loan Received	1000.00	-	-	-	-
	(6700.00)	(-)	(-)	(-)	(-)
Unsecured Loan repaid / given	1000.00	200.00	-	-	-
	(6700.00)	(2320.72)	(-)	(-)	(-)
Interest Expense	292.23	-	-	-	-
	(443.76)	-	(-)	(-)	(-)
Interest Earned	-	254.03	-	-	-
	(-)	(113.26)	(-)	(-)	(-)

	31st March'17		31st March'16	1st April'15
Outstandings :				
Payable				
Holding Company	3748.66		3657.95	2386.05
Subsidiary	-		-	-
Fellow Subsidiaries	682.58	@	664.40	371.49
Receivable				
Holding Company	76.18		102.69	126.92
Subsidiary	-		149.05	-
Fellow Subsidiaries	767.73	##	1010.96	467.82
Investment				
Subsidiary				
Dress Master Apparel Limited	1052.63		1052.63	-
Silver Spark Middle East FZE	2970.55		-	-
Other Receivable				
Subsidiary	792.68		-	-
Advances				
Holding Company	26.67		-	-
Subsidiary	251.20		-	-
Interest Receivable				
Subsidiary	-		6.38	-
Loans Taken				
Holding Company	2707.96		2707.96	2707.96
Loans Given				
Subsidiary - Dress Master Apparel Pvt.Ltd.	2720.72		2320.72	-
Deposit Given				
KMP and their Enterprises	50.00		50.00	50.00
Gaurantee Given				
Subsidiary - Silver Spark Middle East FZE	9082.87		-	-

The above disclosures exclude the modification to the terms of Preference Shares held by the holding Company.

Note:Previous year, (hereinafter PY) figures are in bracket.

* Represents from Raymond Apparel Limited Rs.119.30 Lacs; (PY Rs. 1,085.58 Lacs), and Raymond (Europe) Ltd Rs 432.11 Lacs (Previous year Rs. 577.93 Lacs)

** Sold to Raymond (Europe) Limited Rs. 4780.67 Lacs ; (PY Rs. 5631.04 Lacs), Raymond Apparel Limited Rs.3.96 Lacs ; (PY Rs. 23.61 Lacs) and Celebrations Apparel Limited Rs. 16.92 Lacs (PY Rs Nil)

*** Represents expense made on behalf of Celebrations Apparel Limited Rs. 14.74 Lacs (PY Rs. 9.46 Lacs), Raymond (Europe) Limited Rs.10.05 Lacs (PY RS. 39.62 Lacs) and Raymond Apparel Ltd. Rs. 31.49 Lacs (PY Rs. Nil)

^ Represents Purchase from Celebrations Apparel Limited Rs 75.66 (PY Rs 30.05) and from Raymond Luxury Cottons Limited Rs 4.95 Lacs (PY Rs 0.05 Lacs)

^^ Represents Rent paid to Avani Agricultural Farms Private Limited Rs.37.80 Lacs; (PY Rs.37.80 Lacs) & Silver Soaps Private Limited Rs.1.25 Lacs (PY Rs 3.00 Lacs)

^^^ Represents reimbursement of expenses by Celebrations Apparel Limited Rs.380.71 Lacs (PY Rs. 21.02 Lacs)

$ Represents with Everblue Apparel Limited Rs. 0.43 Lacs (PY Rs. NIL)

Represents with Raymond (Europe) Limited Rs 891.98 Lacs (PY Rs 838.51 Lacs) .

Includes receivable from Raymond Apparel Limited Rs. 3.98 Lacs (PY Rs. 5.79 Lacs), Raymond Europe Limited Rs. 763.75 Lacs (PY Rs 1005.17 Lacs).

@ Payable to Raymond Europe Limited Rs 665.12 Lacs(PY Rs. 658.96 Lacs), Celebrations Apparel Limited Rs 12.51 Lacs (PY Rs. 5.44 Lacs) and Raymond Luxury Cotton Limited Rs. 4.95 Lacs (PY Rs. NIL)

Silver Spark Apparel Limited

Note : 41 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loan to Related Parties	2,720.72	-	2,720.72	-	-	-	-	-	-	-	-	-	-	2,720.72	2,720.72	2,720.72
Loans to Employees	8.33	24.50	32.83	-	-	-	-	-	-	-	-	-	-	32.83	32.83	32.83
Other Financial Assets	252.56	-	252.56	-	-	-	-	-	-	-	-	-	-	252.56	252.56	252.56
Trade receivable	-	5,622.55	5,622.55	-	-	-	-	-	-	-	-	-	-	5,622.55	5,622.55	5,622.55
Mark to market on derivative financial instruments	-	-	156.35	-	156.35	-	156.35	-	-	-	-	-	-	-	-	156.35
Cash and Cash equivalents	-	30.45	30.45	-	-	-	-	-	-	-	-	-	-	30.45	30.45	30.45
	2,981.61	**5,677.50**	**8,815.46**	-	**156.35**	-	**156.35**	-	-	-	-	-	-	**8,659.11**	**8,659.11**	**8,815.46**
Financial Liabilities																
Borrowings	1,931.40	3,566.92	5,498.32	-	-	-	-	-	-	-	-	-	-	5,498.32	5,498.32	5,498.32
Other Financial Liabilities	-	4,525.24	4,525.24	-	-	-	-	-	-	-	-	-	-	4,525.24	4,525.24	4,525.24
Trade Payables	-	7,380.40	7,380.40	-	-	-	-	-	-	-	-	-	-	7,380.40	7,380.40	7,380.40
	1,931.40	**15,472.56**	**17,403.96**	-	-	-	-	-	-	-	-	-	-	**17,403.96**	**17,403.96**	**17,403.96**

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loan to Related Parties	2,320.72	-	2,320.72	-	-	-								2,320.72	2,320.72	2,320.72
Loans to Employees	10.20	35.12	45.32	-	-	-	-	-	-	-	-	-	-	45.32	45.32	45.32
Other Financial Assets	232.97	-	232.97	-	-	-	-	-	-	-	-	-	-	232.97	232.97	232.97
Trade receivable	-	4,496.02	4,496.02	-	-	-	-	-	-	-	-	-	-	4,496.02	4,496.02	4,496.02
Mark to market on derivative financial instruments	-	240.58	240.58	-	240.58	-	240.58	-	-	-	-	-	-		-	240.58
Cash and Cash equivalents	-	15.08	15.08	-	-	-	-	-	-	-	-	-	-	15.08	15.08	15.08
	2,563.89	**4,786.80**	**7,350.69**	-	**240.58**	-	**240.58**	-	-	-	-	-	-	**7,110.11**	**7,110.11**	**7,350.69**
Financial Liabilities																
Borrowings	4,710.60	2,951.35	7,661.95	-	-	-	-	-	-	-	-	-	-	7,661.95	7,661.95	7,661.95
Other Financial Liabilities	-	3,369.19	3,369.19	-	-	-	-	-	-	-	-	-	-	3,369.19	3,369.19	3,369.19
Trade Payables	-	5,960.25	5,960.25	-	-	-	-	-	-	-	-	-	-	5,960.25	5,960.25	5,960.25
	4,710.60	**12,280.79**	**16,991.39**	-	-	-	-	-	-	-	-	-	-	**16,991.39**	**16,991.39**	**16,991.39**

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment			-	-	-	-										
- Mutual funds	-	502.10	502.10	502.10	-		502.10	-	-	-	-	-	-	-	-	502.10
			-				-				-			-	-	-
			-				-				-			-	-	-
	-	502.10	502.10	502.10	-	-	502.10	-	-	-	-	-	-	-	-	502.10
Other Assets				-	-	-	-	-	-	-	-	-	-			
Loans to Employees	17.40	26.14	43.54	-	-	-	-	-	-	-	-	-	-	43.54	43.54	43.54
Other Financial Assets	216.85	-	216.85	-	-	-	-	-	-	-	-	-	-	216.85	216.85	216.85
Trade receivable	-	2,784.23	2,784.23	-	-	-	-	-	-	-	-	-	-	2,784.23	2,784.23	2,784.23
Mark to market on derivative financial instruments	-	173.62	173.62	-	173.62		173.62	-	-	-	-	-	-		-	173.62
Cash and Cash equivalents	-	592.12	592.12	-	-	-	-	-	-	-	-	-	-	592.12	592.12	592.12
	234.25	**4,078.21**	**4,312.46**	**502.10**	**173.62**	-	**675.72**	-	-	-	-	-	-	**3,636.74**	**3,636.74**	**4,312.46**
Financial Liabilities																
Borrowings	7,519.93	65.21	7,585.14	-	-	-	-	-	-	-	-	-	-	7,585.14	7,585.14	7,585.14
Other Financial Liabilities	-	2,221.85	2,221.85	-	-	-	-	-	-	-	-	-	-	2,221.85	2,221.85	2,221.85
Trade Payables	-	4,825.78	4,825.78	-	-	-	-	-	-	-	-	-	-	4,825.78	4,825.78	4,825.78
	7,519.93	**7,112.84**	**14,632.77**	-	-	-	-	-	-	-	-	-	-	**14,632.77**	**14,632.77**	**14,632.77**

	As at 31st March'17		As at 31st March'16		As at 1st April'15	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Investments						
Mutual funds	-	-	-	-	-	502.10
Other Assets						
Loan to Related Parties	2,720.72	2,720.72	2,320.72	2,320.72	-	-
Loans to Employees	32.83	32.83	45.32	45.32	43.54	43.54
Other Financial Assets	252.56	252.56	232.97	232.97	216.85	216.85
Trade receivable	5,622.55	5,622.55	4,496.02	4,496.02	2,784.23	2,784.23
Mark to market on derivative financial instruments	156.35	156.35	240.58	240.58	173.62	173.62
Cash and Cash equalents	30.45	30.45	15.08	15.08	592.12	592.12
	8,815.46		7,350.69	7,350.69	3,810.36	4,312.46
Financial Liabilities						
Borrowings	5,498.32	5,498.32	7,661.95	7,661.95	7,585.14	7,585.14
Other Financial Liabilities	4,525.24	4,525.24	3,369.19	3,369.19	2,221.85	2,221.85
Trade Payables	7,380.40	7,380.40	5,960.25	5,960.25	4,825.78	4,825.78
	17,403.96		16,991.39	16,991.39	14,632.77	14,632.77

Silver Spark Apparel Limited
Notes to the financial statements

Financial risk management objectives and policies

The Comapany's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Comapny's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs in lacs)

Particulars	As at 31st March'17	As at 31st March'16	As at 1st April'15
Borrowings bearing variable rate of interest	5,613.72	4,957.65	3,940.42

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs in lacs)

	2016-2017	2015-2016
50 bp increase- decrease in profits	(40.72)	(49.59)
50 bp decrease- Increase in profits	40.72	49.59

Market Risk- Foreign cuurency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign currency in lacs)

Particulars	As at 31st March,2017		As at 31st March,2016		As at 1st April,2015	
Forward contracts to sell USD	USD	51.29	USD	109.06	USD	165.82
Forward contracts to sell EUR	EUR	6.16	EUR	12.22	EUR	14.79
Forward contracts to sell GBP	GBP	5.08	GBP	7.75	GBP	25.77
Forward contracts to sell EUR/USD	EUR	5.92	EUR	2.50	EUR	-
Forward contracts to sell GBP/USD	GBP	8.14	GBP	-	GBP	-
Forward contracts to sell JPY	JPY	-	JPY	588.77	JPY	1,904.71

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March, 2017

(Foreign currency in lacs)

Particulars	USD	EURO	HKD	JPY	GBP
Trade payables	20.02	0.26	0.4	28.42	-
Trade receivable	33.36	-	-	136.41	3.09

As at 31st March, 2016

(Foreign currency in lacs)

Particulars	USD	EURO	HKD
Trade payables	16.96	0.88	0.4

As at 1st April, 2015

(Foreign currency in lacs)

Particulars	USD	EURO	HKD
Trade payables	9.01	0.31	0.4

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in lacs)

	2016-2017		2015-2016	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	9.11	(9.11)	(11.24)	11.24
EURO	(0.13)	0.13	(0.66)	0.66
HKD	(0.03)	0.03	(0.03)	0.03
JPY	0.63	(0.63)	-	-
GBP	2.51	(2.51)	-	-
Increase / (decrease) in profit or loss	8.98	(8.98)	(11.90)	11.90

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

(Rs in lacs)

	As at 31st March'17	As at 31st March'16	As at 1st April'15
Not due	3,857.63	3,904.93	2356.64
0-3 months	1497.06	586.87	385.34
3-6 months	263.45	0.28	2.49
6 months to 12 months	0.98	0.13	39.77
beyond 12 months	3.43	3.81	-
Total	5,622.55	4,496.02	2,784.23

Movement in provisons of doubtful debts

(Rs in lacs)

	As at 31st March'17	As at 31st March'16
Opening provision	20.91	20.91
Add:- Additional provision made	1.33	-
Less:- Provision utilised against bad debts	20.91	-
Closing provisions	1.33	20.91

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs in lacs)

	As at 31st March'15			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	1,657.91	6,835.23	243.00	8,736.14
Short term borrowings	65.21	-	-	65.21
Expected Interest payable	1,069.09	1,169.95	-	2,239.04
Total	2,792.21	8,005.18	243.00	11,040.39

(Rs in lacs)

	As at 31st March'16			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	1,658.91	4,953.99	81.00	6,693.90
Short term borrowings	2,951.35	-	-	2,951.35
Expected Interest payable	860.02	387.41		1,247.43
Total	5,470.28	5,341.40	81.00	10,892.68

(Rs in lacs)

	As at 31st March'17			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	2,820.97	1,933.79	-	4,754.76
Short term borrowings	3,566.92	-	-	3,566.92
Expected Interest payable	561.76	114.03	-	675.79
Total	6,949.65	2,047.82	-	8,997.47

Maturity patterns of other Financial Liabilities

As at 31st March'17

(Rs in lacs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	2,529.48	4,725.23	1.76	20.31	40.20	7,316.98
Other Financial liability (Current and Non Current)	-	552.11	-	1,152.15	-	1,704.26
Total	2,529.48	5,277.34	1.76	1,172.46	40.20	9,021.24

As at 31st March'16

(Rs in lacs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	3,161.10	2,782.47	-	16.73	-	5,960.30
Other Financial liability (Current and Non Current)	-	590.20	-	1,120.08	-	1,710.28
Total	3,161.10	3,372.67	-	1,136.81	-	7,670.58

As at 1st April'15

(Rs in lacs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	1,211.72	3,612.14	0.76	1.16	-	4,825.78
Other Financial liability (Current and Non Current)	-	508.57	-	435.37	-	943.94
Total	1,211.72	4,120.71	0.76	436.53	-	5,769.72

43 **Capital risk management**

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustements in the light of changes in economic enviroments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and cash equivalents divided by total equity
The management monitors the return on capital.
The gearing ratios were as follows:

Rs. In Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Net Debt (Long term + Short term+current maturities of long term debt - cash & cash eqivalents)	8,288.84	9,305.78	8,150.93
Total Equity	14,256.20	9,576.53	7,190.13
Net Debt to Total Equity	58.14%	97.17%	113.36%

44 **Earnings per share**

(Rs in lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	2,174.82	1,397.30
Weighted average number of equity shares outstanding (nos.)	7591767	7000000
Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share)	28.65	19.96
Diluted earning per share is same as basic earning per share.		

45 **Segment Information**

The Company's business activity falls within a single primary business segment of manufacture of trousers and jackets. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

Further, no single customer contributes to more than 10% of the company's revenue

Silver Spark Apparel Limited
Notes to the standalone financial statements for the year ended 31st March, 2017

46 First-time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2017 for the company, be applied retrospectively and consistently for all financial years presented. In accordance with, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

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

A. **Optional Exemptions availed**

(a) **Deemed Cost**
The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition date.

(b) **Investments in subsidiaries**
The Company has opted para D14 and D15 and accordingly considered the Previous GAAP carrying amount of Investments as deemed cost as at the transition date.

(c) **Designation of previously recognised financial instruments**
Paragraph D19B of Ind AS 101 gives an option to an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.
The company has opted to apply this exemption for its investment in equity Investments.

B. **Applicable Mandatory Exceptions**

(a) **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 (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

(b) **Classification and measurement of financial assets**
As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. **Transition to Ind AS - Reconciliations**
The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as reuired under Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)
II. A. Reconciliation of Balance sheet as at March 31, 2016
B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016
III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016
IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. **Reconciliation of Balance sheet as at April 1, 2015**

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	G	10,682.14	1,022.98	11,705.12
Intangible assets		14.02	-	14.02
Financial assets				
Loans	D	17.40	-	17.40
Other financial assets	E	237.77	(20.92)	216.85
Current Tax Assets (Net)		45.28	-	45.28
Other non-current assets	E, L	30.16	-	30.16
Current assets				
Inventories		7,823.93	-	7,823.93
Financial Assets				
Investments	D	501.00	1.10	502.10
Trade receivables	K	2,784.23	-	2,784.23
Cash and cash equivalents		592.12	-	592.12
Loans		26.14	-	26.14
Other financial assets	E	42.51	131.11	173.62
Other current assets		1,347.60	19.93	1,367.53
TOTAL		24,144.30	1,154.20	25,298.50
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		700.00	-	700.00
Other Equity	C, F, I	7,141.15	(651.02)	6,490.13
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Long - term borrowings	A, I	7,583.17	(63.24)	7,519.93
Deferred tax liabilities (Net)		762.72	845.48	1,608.20
Other non-current liabilities	I	-	1,022.98	1,022.98
Current liabilities				
Financial Liabilities				
Short Term Borrowings	K	65.21	-	65.21
Trade payables		4,825.78	-	4,825.78
Other financial liabilities	F	2,221.85	-	2,221.85
Other current liabilities	B	407.40	-	407.40
Provisions	C	414.47	-	414.47
Current Tax Liabilities (Net)		22.55	-	22.55
TOTAL		24,144.30	1,154.20	25,298.50

* As required under Paragraph (10C) of Ind AS 101 the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	G	10,360.83	965.84	11,326.67
Capital work-in-progress		7.19	-	7.19
Intangible assets		21.55	-	21.55
Investments in subsidiaries		1,052.63	-	1,052.63
Financial Assets				
Loans		2,330.92	-	2,330.92
Other financial assets	E	246.30	(13.33)	232.97
Current Tax Assets (Net)		46.60	-	46.60
Current assets				
Inventories		8,041.92	-	8,041.92
Financial Assets				
Trade receivables	K	4,496.02	-	4,496.02
Cash and cash equivalents		15.08	-	15.08
Short - term loans and advances		35.12	-	35.12
Other financial assets	E	102.96	137.62	240.58
Other current assets		1,692.24	12.38	1,704.62
TOTAL		28,449.36	1,102.51	29,551.87
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		1,700.00	-	1,700.00
Other Equity	C, F, I	8,471.28	(594.75)	7,876.53
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Long - term borrowings	A, I	4,714.26	(3.66)	4,710.60
Deferred tax liabilities (Net)		691.56	735.08	1,426.64
Other non-current liabilities	I	-	965.84	965.84
Current liabilities				
Financial Liabilities				
Short Term Borrowings	K	2,951.35	-	2,951.35
Trade payables		5,960.26	-	5,960.26
Other financial liabilities	F	3,369.22	-	3,369.22
Other current liabilities	B	145.49	-	145.49
Short term provisions	C	317.50	-	317.50
Current Tax Liabilities (Net)		128.44	-	128.44
TOTAL		28,449.36	1,102.51	29,551.87

II

B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Note	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations		42,340.08	-	42,340.08
Other Income	E	395.33	69.77	465.10
Total		42,735.41	69.77	42,805.18
Expenses				
Cost of materials consumed	M	23,013.15	-	23,013.15
Changes in inventories of finished goods, Stock-in-Trade and work-in progress		29.63	-	29.63
Manufacturing and Operating Costs		2,699.92	-	2,699.92
Employee benefits expense	J	8,015.36	41.63	8,056.99
Finance costs	A	1,073.84	1.28	1,075.12
Depreciation and amortization expense		800.07	57.14	857.21
Other expenses	E	4,890.59	7.18	4,897.77
Total		40,522.56	107.23	40,629.79
Profit before exceptional items and tax		2,212.85	(37.46)	2,175.39
Exceptional Items		-		-
Profit before tax		2,212.85	(37.46)	2,175.39
Tax expense				
Current tax		953.88	-	953.88
Deferred tax (net)		(71.16)	(104.63)	(175.79)
Profit for the year (A)		1,330.13	67.17	1,397.30
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans	J	-	41.63	41.63
(ii) Income tax relating to items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	(14.41)	(14.41)
Other Comprehensive Income for the year (B)		-	27.22	27.22
Total Comprehensive Income for the year (A+B)		1,330.13	39.95	1,424.52
Equity holder of parent		1,330.13	39.95	1,424.52

III A **Reconciliation of Equity**

	Note	As at 31st March,2016	As at 1st April,2015
Total equity under local GAAP		8,471.28	7,141.15
Adjustments impact: Gain/ (Loss)			
Fair value of Kotak investment	B	1.10	1.10
Fair Value of Deposit	C	(0.98)	(0.98)
Amortisation of borrowing cost	A	4.94	4.94
Fair Value of MTM Forward Contract	D	131.11	131.11
Equity Component of Financial Instrument	I	-	391.43
Difference between the present value of future cashflow of the preferance liability and it's carring value as on the transition date	I	-	(540.30)
Other Comprehensive Income	E	27.22	-
Deferred Tax adjustment on conversion of financial instrument	I	20.17	186.99
Deferred Tax	H	(778.31)	(825.31)
Total IND AS adjustment		**(594.75)**	**(651.02)**
Total equity under Ind AS		**7,876.53**	**6,490.13**

III B **Reconciliation of Income Statement**

	Note	For the period ended 31st March'2016
Profit after tax under local GAAP		1,330.14
Adjustments Gain/ (Loss)		
Deferred revenue of government grants	G	57.14
Impact on foreign exchange fluctuation	D	6.50
Reversal of gain on Investment	B	(1.10)
Impact on other Income of fair valuation of Interest free security deposits	C	7.24
Impact on employee benefit expense due to fair valuation of gratuity	E	(41.63)
Impact on finance cost due to amortisation of processing costs	A	(1.28)
Impact on depreciation due to government grant	G	(57.14)
Impact on rent due to fair valuation of Interest free security deposits	C	(7.18)
Impact on deferred Tax	H	104.63
Tax impact on other comprehensive Income	E	14.41
Total adjustment		**81.57**
Profit after tax as per Ind AS		**1,411.71**
Other comprehensive income	E	27.22
Total comprehensive income as per Ind AS		**1,438.93**

III C **Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016**

	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flow from operating activities	2,218.77	8.34	2,210.43
Net cash flow from investing activities	(820.46)	(8.34)	(812.12)
Net cash flow from financing activities	(1,975.35)	(0.00)	(1,975.35)
Net increase/(decrease) in cash and cash equivalents	(577.04)	-	(577.04)
Cash and cash equivalents as at 1 April 2015	592.12	-	592.12
Cash and cash equivalents as at 31 March 2016	**15.08**	-	**15.08**

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to IND AS,

A **Borrowings**

As required under the IND AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings and to the extent attributable to Current maturity of long term debts. Under the previous GAAP, these transaction costs were charged to the statement of profit and loss as and when incurred. Consequently, borrowings as at 31 March 2016 have been reduced by Rs.394.94 Lacs (April 1, 2015- Rs.573.08 Lacs) with a corresponding adjustment to retained earnings resulting in increase in total equity. The profit under the previous GAAP for the year ended 31 March 2016 has been reduced by Rs.1.28 Lacs as a result of the additional interest expense.

B Fair Valuation of Investments

Under the previous GAAP, investments in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under IND AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings Rs Nil as at 31st March 2016 (Rs.1.10 Lacs As at 1 April, 2015).

C Security deposits

Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under IND AS, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued the security deposits under IND AS. Difference between fair value of security deposits and the carrying value (transaction value) as per Previous GAAP has been recognised as prepaid rent. Consequently, the amount of security deposits has been decreased by Rs 7.59 lacs as at 31st March'2016 (Rs.20.92 lacs as at 1st April'2015). The prepaid rent increased by Rs 12.40 lacs as at 31st March,2016 (Rs 19.94 lacs as at 1st April,2015).Total equity decreased by Rs 0.99 lacs as at 1st April,2015. The profit for the year and total equity as at 31st March'2016 increased by Rs 0.06(net) lacs due to amortisation of the prepaid rent of Rs 7.18 lacs is partially off-set by the notional interest income of Rs 7.24 lacs recognised on these security deposits.

D Fair Valuation of Forward Contracts

Under the Ind AS 109, Forward Contracts are carried at fair value and the resultatnt gains and losses are recorded in the statement of Profit and Loss. Accordingly, the same has been fair valued resulting in decrease in equity by Rs 6.5 lacs as at 31st March'16 (increase Rs 131.12 lacs as at 01st April,2015) .

E Remeasurements of post employment benefit obligation

Under Ind AS, remeasurements i.e. acturial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increase by by Rs 41.63 lacs.

F Excise Duty

Under the previous GAAP revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by Rs.1.05 lacs. There is no impact on the total equity and profit.

G Government Grants

As stated in the Note 1(s) (Accounting policy Note), on transition to Ind AS, the Company has elected to continue with the carrying value of all of its property , plant and equipment recognised as at 1 April, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. However, in view of the Ind AS Transition Facilitation Group (ITFG) clarification bulletin dated April 17, 2017, the deemed cost of property, plant and equipment as at the transition date has been increased by Rs. 1022.98 lacs being the unamortised Capital Subsidy/EPCG of Rs. 1022.98 lacs as on the date of the transition (refer Note on EPCG/Capital subsidy 18).

H Deferred Tax Asset recognition

Under the previous GAAP, deferred tax assets on unabsorbed depreciation or carry forward of losses under tax laws, were recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, whereas under IndAS, deferred tax asset on these items can be recognised when there is sufficient taxable temporary differences or there is convincing other evidence.

I Preference Shares

Preference shares shown as financial liability as at the transactions date. These are classified as equity instruments as at March 31, 2016, consequent to the modification in the terms of these Preference shares, effective April 1, 2015, subsequent to transition to Ind AS.

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies

(Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Lacs)

Sr No.	Particulars			
1	**Sr. No.**	1	2	3
2	**Name of the subsidiary**	Dress Master Apparel Limited	Silver Spark Middle East FZE, Dubai	Silver Spark Apparel Ethiopia PLC
3	**Reporting period for the subsidiary concerned, if different from the holding company's reporting period**	Same reporting Period (1st April 2016 to 31st March 2017)	31st Dec 2016	31st Dec 2016
4	**Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.**	N.A.	United Arab Emirates Dirham(AED) AED/INR - 18.5159	ETHIOPIAN BIRR (BIRR) BIRR/INR-3.0241
5	**Share capital**	12.00	3027.35	518.60
6	**Reserves & surplus**	(406.40)	(26.95)	-
7	**Total assets**	3001.17	2612.57	1170.31
8	**Total Liabilities**	3395.57	134.93	651.71
9	**Investments**	-	522.76	-
10	**Turnover**	3797.60	-	-
11	**Profit before taxation**	(463.38)	(26.95)	-
12	**Provision for taxation**	(129.42)	-	-
13	**Profit after taxation**	(333.96)	(26.95)	-
14	**Proposed Dividend**		-	-
15	**% of shareholding**	100	100	100

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	**Name 1**	**Name 2**	**Name 3**
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-	-	-
No.	-	-	-
Amount of Investment in Associates/Joint Venture	-	-	-
Extend of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Networth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
i. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of
SILVER SPARK APPAREL LIMITED

sd/-
H. Sunder
Director
DIN: 00020583

sd/-
Ram Bhatnagar
Director
DIN: 02313614

sd/-
Sandeep Kumar
Chief Financial Officer

sd/-
S. Murali
Company Secretary

Place: **Mumbai**
Date: **April 27, 2017**

DRESS MASTER APPAREL PRIVATE LIMITED
ANNUAL REPORT 2016-17

BOARD OF DIRECTORS :	SHRI SANDEEP KUMAR SHRI VISHAL BIST
STATUTORY AUDITORS :	MESSRS. DALAL & SHAH LLP CHARTERED ACCOUNTANTS
REGISTERED OFFICE :	PLOT NOS. 76 AND 77, 6TH MAIN, IIIRD PHASE, PEENYA INDUSTRIAL AREA, BANGALORE – 560058, KARNATAKA.

DRESS MASTER APPAREL PRIVATE LIMITED
Erstwhile Robot Systems Private Limited
(CIN: U31909KA1978PTC003267)

DIRECTORS' REPORT

To,

The Members of Dress Master Apparel Private Limited

Your Directors present their Forty- Sixth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

The company is engaged in garment manufacturing at its plant located in Bangalore. The Gross Revenue of the company for FY 2016-17 stood at Rs. 37.96 crore (Previous Year: Rs. 14.49 crore). During the year, the company had a Loss of Rs 3.34 crore as against a Loss of Rs. 0.67 crore in the previous year.

2. DIVIDEND

Since, there was no profit, no dividend has been recommended for the FY 2016-17.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs Dalal & Shah LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company.

The Board of Directors places on record its appreciation to the services rendered by Messrs. Dalal & Shah LLP, Chartered Accountants as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is periodically assessed and strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The paid up Share Capital as on March 31, 2017 was Rs 12.00 Lakh. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity shares.

As on March 31, 2017, none of the Directors of the Company hold shares or convertible instruments of the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013, accepted or given by the Company.

9. DIRECTORS AND THEIR MEETINGS

During the year under review there has been no change in the composition of Board of Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Vishal Bist, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

During the year, 4 Board Meetings were convened and held as detailed below.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

	Name of the Directors	**Date of the Meeting**			
		22.04.2016	**18.07.2016**	**24.10.2016**	**23.01.2017**
1	Shri Vishal Bist	✓	✓	✓	✓
2	Shri Sandeep Kumar	✓	✓	✓	✓

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

11. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of interest rate, commodity price, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

12. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that such accounting policies had been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the Annual Financial statements have been prepared on a going concern basis; and
e. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure - A** and forms an integral part of this Report.

14. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **"Annexure B"** to this Report.

15. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2017 is not applicable.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

17. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments which affects the financial position of the Company, between the financial year ending March 31, 2017 and the date of this report.

18. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. There were no complaints filed against any of the employees of the Company under this Act.

19. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board of
DRESS MASTER APPAREL PRIVATE LIMITED

sd/-
Sandeep Kumar
Director
DIN: 07215110

sd/-
Vishal Bist
Director
DIN: 07215218

Place: **Bangalore**
Date : **25.04.2017**

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

i. By converting the street lights to LED we have achieved 50 % of saving in street lights electrical energy consumption.
ii. By converting all the lights in Warehouse & Fabric stores to LED lights we have achieved 50 % saving in lighting energy of that Departments.
iii. Installation of Energy meters for individual department for proper monitoring & to have Control on Energy consumption.
iv. Installation of Automated power factor controller for improving electrical energy efficiency.

B. TECHNOLOGY ABSORPTION

i. line Lapel press machine, Collar Master Press machine, Sleeve inseam press machine, Elbow press machine have been upgraded from manual to automatic by applying PLC Technology, which has improved the quality and increased the productivity by 15%.

C. The Company has not incurred any separate expenditure for Research and Development activities during the period under review.

D. Foreign exchange earnings and Outgo –

During the year foreign exchange earnings was Rs. Nil (Previous Year: Nil). The Foreign Exchange outgo during the year was Rs. Nil (Previous year : Nil).

Annexure - B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U31909KA1978PTC003267
2.	Registration Date	29/04/1971
3.	Name of the Company	Dress Master Apparel Private Limited **Erstwhile** Robot Systems Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Plot Nos. 76 and 77, 6th Main, IIIrd Phase, Peenya Industrial Area, Bangalore KA 560058
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 %or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Men's Trousers	18101	16.21%
2	Men's Jackets	18101	64.53%
3	Men's Shirts	18101	19.10%

III. PARTICULARSOFHOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and Address of the Company	CIN / GIN	Holding/ Subsidiary/Associate	% of shares Held	Applicable section
1	**Silver Spark Apparel Limited and its Nominees** New Hind House, N M Marg Ballard Estate Mumbai-400001	U72900MH2000PLC127831	Holding Company	100%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	12000	12000	100	-	12000	12000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	-	12000	12000	100	-	12000	12000	100	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.									
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	-	12000	12000	100	-	12000	12000	100	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	12000	12000	100	-	12000	12000	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Silver Spark Apparel Limited and its nominees	12000	100	0	12000	100	0	100

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	There was no change in Promoter's Shareholding during the year			
2	At the end of the year	-	-	-	-

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	**For Each of the Top 10 Shareholders**	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
-	-	-	-	-	-

E) Shareholding of Directors and Key Managerial Personnel:

<table>
<tr><th rowspan="2">SN</th><th rowspan="2">Shareholding of each Directors and each Key Managerial Personnel</th><th colspan="2">Shareholding at the beginning of the year</th><th colspan="2">Cumulative Shareholding during the year</th></tr>
<tr><th>No. of shares</th><th>% of total shares of the company</th><th>No. of shares</th><th>% of total shares of the company</th></tr>
<tr><td></td><td>At the beginning of the year</td><td colspan="4" rowspan="3">None of the Directors hold shares in the Company</td></tr>
<tr><td></td><td>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)</td></tr>
<tr><td></td><td>At the end of the year</td></tr>
</table>

V) INDEBTEDNESS-

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Rs. in Lac

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	2320.72	-	2320.72
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	6.38	-	6.38
Total (i+ii+iii)	-	2327.10	-	2327.10
Change in Indebtedness during the financial year				
* Addition	-	400.00	-	400.00
* Reduction	-	6.38	-	6.38
Net Change	-	393.62	-	393.62
Indebtedness at the end of the financial year				
i) Principal Amount	-	2720.72	-	2720.72
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	0	-	0
Total (i+ii+iii)	-	2720.72	-	2720.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-----	----	----	---	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

Balance Sheet

(Rs in lacs)

		Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	2	1,904.59	1,741.18	0.97
	(b) Capital work - in - progress		1.37	14.45	-
	(c) Intangible assets	3	6.90	-	-
	(d) Financial Assets				
	(i) Other financial assets	4	24.02	6.40	5.25
	(e) Deferred tax assets (net)	28	158.05	30.07	-
	(f) Current tax assets		57.35	16.29	-
	(g) Other non - current assets	5	0.56	105.66	-
2	**Current assets**				
	(a) Inventories	6	193.41	283.35	-
	(b) Financial Assets				
	(i) Trade receivables	7	462.09	514.46	-
	(ii) Cash and cash equivalents	8	108.97	241.46	0.86
	(iii) Loans	9	1.78	2.28	-
	(vi) Others Financial Assets	10	0.91	-	-
	(c) Other current assets	11	81.17	108.74	-
	TOTAL ASSETS		**3,001.17**	**3,064.34**	**7.08**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a) Equity share capital	12	12.00	12.00	12.00
	b) Other equity		(406.40)	(75.69)	(8.44)
2	**Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	13	2,720.72	2,320.72	-
	(b)Other non-current liabilities	14	34.76	-	-
3	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Trade payables	15	265.65	511.88	3.52
	(ii) Other financial liabilities	16	193.25	153.18	-
	(b) Other current liabilities	17	51.62	41.06	-
	(c) Short Term Provisions	18	129.57	101.19	-
	TOTAL EQUITY AND LIABILITIES		**3,001.17**	**3,064.34**	**7.08**

The accompanying notes are an integral part of these financial statements

As per our report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R Bansal
Partner
Membership No. 117753
25th April, 2017
Mumbai

For and on behalf of the Board of Directors

sd/-

Sandeep Kumar
Director
DIN-07215110
25th April, 2017
Bengaluru

sd/-

Vishal Pratap Singh Bist
Director
DNI-07215218
25th April, 2017
Bengaluru

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

Statement of Profit and Loss

(Rs.in Lacs)

		Note	Year ended 31st March, 2017	Year ended 31st March, 2016
I	**INCOME**			
	Revenue from Operations	19	3,795.65	1,448.89
	Other Income	20	1.95	5.21
	Total Income		3,797.60	1,454.10
II	**EXPENSES**			
	Cost of materials consumed	21	670.30	453.66
	Changes in inventories of finished goods, work-in-progress and accumulated cost of conversion	22	56.96	(181.82)
	Manufacturing and Operating Costs	23	1,152.97	276.42
	Employee benefits expense	24	1,813.37	757.10
	Finance costs	25	254.03	113.26
	Depreciation and amortization expense	26	113.98	59.29
	Other expenses	27	199.37	73.51
	Total expenses		4,260.98	1,551.42
III	**Loss before tax (II-I)**		463.38	97.32
IV	**Tax expense**			
	Current tax	28	-	-
	Deferred tax charge/(credit)		(129.42)	(30.07)
V	**Loss for the year (III+IV)**		333.96	67.25
VI	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	30	(4.70)	-
	Tax effect of above		1.45	-
VII	**Total Comprehensive Income for the year (V+VI)**		330.71	67.25
VIII	**Earnings per equity share of Rs. 10 each :**			
	Basic (in Rs.)	37	2,782.98	560.44
	Diluted (in Rs.)			
	Nominal Value per share (in Rs.)		100.00	100.00

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R Bansal
Partner
Membership No. 117753
25th April, 2017
Mumbai

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Sandeep Kumar
Director
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25th April, 2017
Bengaluru

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Vishal Pratap Singh Bist
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DNI-07215218
25th April, 2017
Bengaluru

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)
Statement of Cash Flows

	Year ended 31st March, 2017	Year ended 31st March, 2016
		(Rs in lacs)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items & tax from	(463.38)	(97.32)
Adjustments for:		
Depreciation and amortization expenses	113.98	59.29
Other Comprehensive Income	4.70	-
Finance cost	254.03	113.26
Provision no longer required	-	(5.18)
Interest income	(1.10)	(0.03)
Unrealised exchange (gain)/loss (net)	0.66	-
	372.27	167.34
	(91.11)	70.02
Operating profit before working capital changes		
Adjustments for:		
(Increase)/decrease in trade & other receivables	52.37	(514.46)
(Increase)/decrease in inventories	89.94	(283.35)
(Increase)/decrease in Other Financial Assets	(11.25)	(1.15)
(Increase)/decrease in Loan	0.50	(2.28)
(Increase)/decrease in Other current Assets	29.27	(98.01)
(Increase)/decrease in Other Non Current Assets	0.00	-
Increase/(decrease) in trade & other payables	(247.93)	502.81
Increase/(decrease) in Other financial liabilities	85.39	187.87
Increase/(decrease) in provisions	28.38	101.19
Increase/(decrease) in liability in current tax		
	26.67	(107.39)
Cash (used in) / from operations	(64.44)	(37.36)
Direct taxes paid (net of refunds)	(41.06)	(16.29)
Net cash (used in) / from operating activities	(105.50)	(53.65)
	(105.50)	**(53.65)**
CASH FLOW FROM INVESTING ACTIVITIES:		
Add: Inflows from investing activities		
Interest received	0.19	0.03
	0.19	0.03
Less: outflows from investing activities		
Purchase of property, plant and equipment/ intangible assets	(166.77)	(1,919.61)
Net cash (used in) / from investing activities	(166.77)	(1,919.61)
	(166.58)	**(1,919.58)**
CASH FLOW FROM FINANCING ACTIVITIES:		
Add: Inflows from financing activities		
Proceeds from long-term borrowings	400.00	2320.72
	400.00	2320.72
Less: outflows from financing activities		
Interest paid	(260.41)	(106.89)
Cash (used in) / from financing activities	(260.41)	**(106.89)**
	139.59	2,213.83
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(132.49)	240.60
Cash and Cash equivalents at beginning of the year	241.46	0.86
Cash and Cash equivalents at end of the year	108.97	241.46

The accompanying notes are an integral part of these financial statements

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7)

2 Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

As per our report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R Bansal
Partner
Membership No. 117753
25th April, 2017
Mumbai

For and on behalf of the Board of Directors

sd/-

Sandeep Kumar
Director
DIN-07215110
25th April, 2017
Bengaluru

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Vishal Pratap Singh Bist
Director
DNI-07215218
25th April, 2017
Bengaluru

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

Statement of Changes in Equity

A. Equity share capital

	Notes	(Rs. In Lacs)
As at 1 April 2015		12.00
As at 31 March 2016	12	12.00
As at 31 March 2016		12.00

B. Other Equity (Rs.in Lacs)

	Reserves and Surplus			Total
	Capital Reserve	Retained Earnings	General Reserves	
Balance as at 1st April, 2015	0.22	(34.08)	25.42	(8.44)
Loss for the year	-	(67.25)	-	(67.25)
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	(67.25)	-	(67.25)
				-
Balance as at 31st Mar, 2016	0.22	(101.33)	25.42	(75.69)
Loss for the year	-	(333.96)	-	(333.96)
Other Comprehensive Income for the year	-	3.25	-	3.25
Total Comprehensive Income for the year	-	(330.71)	-	(330.71)
				-
Balance as at 31st Mar, 2017	0.22	(432.04)	25.42	(406.40)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For DALAL & SHAH LLP
Chartered Accountants
Firm Registration Number: 102021W/W100110

sd/-

Vipin R Bansal
Partner
Membership No. 117753
25th April, 2017
Mumbai

For and on behalf of the Board of Directors

sd/-

Sandeep Kumar
Director
DIN-07215110
25th April, 2017
Bengaluru

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Vishal Pratap Singh Bist
Director
DNI-07215218
25th April, 2017
Bengaluru

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Dress Master Apparel Limited ('DMAPL' or 'the Company'), CIN: 31909KA1978PTC003267, registered office in Bangalore, Karnataka, India,carries on **business of Manufacturing of trousers, jackets, vest and shirts.** DMAPL is a 100% subsidiary of Silver Spark Apparel Limited.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

These seperate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
- Certain financial assets and liabilities that are measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) 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 and impairment, if any. 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Building, Plant & Machinery, Electrical Installations and Equipments and Computers are provided on Straight Line Method (SLM) and on other assets is provided on Written down Value Method (W.D.V), over the estimated useful life of assets.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'First-in-First-Out', 'Weighted Average cost' or 'Specific identification' as applicable. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(h) Investments and other financial assets

(i) 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 the Statement of 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 the cash flows.

(ii) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

(iii)Dividends

Dividends are recognised in the Statement of Profit and Loss only when the light to receive payment is established.

(i) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(j) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(k) Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(l) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to statement of profit and loss.

(m) Provisions and contingent liabilities

Provisions 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.

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 pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

(n) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, in case of domestic sales take place when goods are dispatched or delivery in handed over to transporter, in case of export sales place when goods are shipped onboard based on bill of lading. The Company also undertakes contract for converting Fabrics into Readymade Garments. Revenue from such contracts is recognized only after the work is completed and dispatched.

Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives

Export Incentives under the "Duty Draw back Scheme" " Focus market scheme " and Focus Product linked scheme" etc. is accounted in the year of export.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries,includingnon-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of the employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:
- defined benefit plans such as gratuity and

Gratuity obligations

Gratuity: The Company has unfunded Defined Benefit Plan for post-employment benefits in the form of Gratuity.The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.
Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company.The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(p) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(q) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 amount in the financial statement. 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 excepted to apply when the related defferd income tax assets 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 off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of 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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(r) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

(s) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions
Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.
Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

Notes to the financial statements

2 Property, Plant and Equipment

(Rs.in Lacs)

	Freehold Land	Building	Plant & Equipment	Furniture & fixtures	Vehicles	Office equipment	Total
Gross carrying amount							
Deemed Cost as at 1st April 2015	0.97	-	-	-	-	-	0.97
Additions/Acquisition*	-	380.00	1,411.97	0.68	3.28	3.57	1,799.50
Disposals	-	-	-	-	-	-	-
Balance as at 31st March 2016	0.97	380.00	1,411.97	0.68	3.28	3.57	1,800.47
Additions	-	-	268.37	4.54	-	1.03	273.94
Disposals	-	-	-	-	-	-	-
Balance as at 31st March 2017	0.97	380.00	1,680.34	5.22	3.28	4.60	2,074.41
Accumulated Depreciation							
Additions	-	9.16	48.33	0.68	0.43	0.69	59.29
Disposals	-	-	-	-	-	-	-
Balance as at 31st March 2016	-	9.16	48.33	0.68	0.43	0.69	59.29
Additions	-	15.70	91.39	1.22	0.89	1.33	110.53
Disposals	-	-	-	-	-	-	-
Balance as at 31st March 2017	-	24.86	139.72	1.90	1.32	2.02	169.82
Net carrying amount							
Balance as at 1st April 2015	0.97	-	-	-	-	-	0.97
Balance as at 31st March 2016	0.97	370.84	1,363.64	-	2.85	2.88	1,741.18
Balance as at 31st March 2017	0.97	355.14	1,540.62	3.32	1.96	2.58	1,904.59

Note:

* In terms of Assets Purchase Agreement dated 31st March 2015, the company had during the previous year purchased assets aggrega Lacs (Building Rs 380 Lacs and Plant & Equipment Rs1370 Lacs) from Gokaldas Exports Ltd (Refer Note 39)

(a) Refer to note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment .

(b) During the year Plant and Equipment includes addition of Rs 37.16 lacs towards EPCG (Refer Note 14)

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

Notes to the financial statements

3 Intangible assets

(Rs.in Lacs)

	Computer Software	Total
Gross carrying amount		
Deemed Cost as at 1st April 2015	-	-
Additions	-	-
Disposals	-	-
Balance as at 31st March 2016	-	-
Additions	10.35	10.35
Balance as at 31st March 2017	10.35	10.35
Accumulated Depreciation		
Additions	3.45	3.45
Balance as at 31st March 2017	3.45	3.45
Net carrying amount		
Balance as at 1st April 2015	-	-
Balance as at 31st March 2016	-	-
Balance as at 31st March 2017	6.90	6.90

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

Notes to the financial statements

4 Other non current-financial assets
(Unsecured unless otherwise stated)

(Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, Considered good)			
Deposits	7.38	6.40	5.25
Margin money deposits with bank*	16.64	-	-
Total	**24.02**	**6.40**	**5.25**

* Held as lien by bank against bank guarantee.

5 Other non-current assets

(Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	0.56	105.66	-
Total	**0.56**	**105.66**	**-**

6 Inventories

(Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials	48.21	64.52	-
Raw Material in Transit	-	19.98	-
Work-in-progress	-	1.21	-
Finished goods	2.91	30.65	-
Accumulated Costs on Conversion contracts			
Completed	110.18	144.45	-
Work in Progress	11.77	5.51	-
Stores and Spares	20.34	17.03	-
Total	**193.41**	**283.35**	**-**

7 Trade receivables

(Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables	56.85	142.20	-
Receivables from related parties (Refer Note 31)	405.24	372.26	-
Total	462.09	514.46	-
Current portion	462.09	514.46	-
Non Current portion	-	-	-

Refer note 34 for information about credit risk and market risk of trade receivables.

Dress Master Apparel Private Limited
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Notes to the financial statements

8 Cash and cash equivalents (Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	-	0.10	-
Balances with Banks			
In current accounts	108.97	241.36	0.86
Total	**108.97**	**241.46**	**0.86**

Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8th November 2016 to 30th December 2016

	SBN	Other Currency	Total
Cash Balance as on 08/11/2016	1.76		1.76
Add : Receipts for permitted transactions	-	0.44	0.44
Less : Paid for permitted transactions	-	0.44	0.44
Less : Deposited in bank accounts	1.76	-	1.76
Closing cash in hand as on 30th December 2016	-	-	-

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

9 Current Loans (Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans to employees	1.78	2.28	-
Total	**1.78**	**2.28**	-

Refer note 34 for information about credit risk and market risk for loans.

10 Other financial assets (Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Interest receivable on Deposit	0.91	-	-
Total	**0.91**	-	-

11 Other current assets (Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances to Suppliers	1.70	10.73	-
Balances with Government Authorities	75.09	95.98	-
Prepaid expenses	1.48	1.06	-
Other advances	2.90	0.97	-
Total	**81.17**	**108.74**	-

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)
Notes to the financial statements

12 Equity Share capital

(Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
25,000 [31st March, 2016: 25,000 and 1st April, 2015: 25,000] Equity Shares of Rs.100 each	25.00	25.00	25.00
Issued, subscribed and fully paid up			
12,000 [31st March, 2016: 12,000 and 1st April, 2015: 12,000] Equity Shares of Rs.100 each	12.00	12.00	12.00
	12.00	**12.00**	**12.00**

a) Reconciliation of number of shares

(Rs. In Lacs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :						
Balance as at the beginning of the year Equity share of Rs.100 each full paid	12,000	12.00	12,000	12.00	12,000	12.00
Balance as at the end of the year	**12,000**	**12.00**	**12,000**	**12.00**	**12,000**	**12.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 100 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Holding Company (Refer Note 31)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares :			
12,000 shares [31st March, 2016: 12,000 and 1st April, 2015: nil shares] held by Parent (including Shares jointly held with Nominee Shareholders)	12,000	12,000	-
NIL shares [31st March, 2016 : NIL and 1st April, 2015: 12,000 shares] held By Gokaldas Exports Ltd. (including Shares jointly held with Nominee Shareholders)	-	-	12,000
Total	12,000	12,000	12,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	%	No. of Shares	%	No. of Shares	%	No. of Shares
Silver Spark Apparel Limited, the Holding Company	100.00	12,000	100.00	12,000	-	-
Gokaldas Exports Limited, the Holding Company	-	-	-	-	100.00	12,000
Total	**100.00**	**12,000**	**100.00**	**12,000**	**100.00**	**12,000**

Notes to the financial statements

13 Non Current Borrowings

(Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured			
Loans from Holding Company - Silver Spark Apparel Limited	2,720.72	2,320.72	-
Total	**2,720.72**	**2,320.72**	**-**

Terms of repayment for Non Current Unsecured borrowings:
These unsecured loans are repayable between 12 to 20 months from the year end and carry interest at the rate of 10.5% p.a. (P.Y. 10.5% p.a.)

14 Other non-Current liabilities.

(Rs. In Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Government grants related to Assets. Refer note 2 (b)	34.76	-	-
Total	**34.76**	**-**	**-**

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(s)). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 33.

15 Trade payables

(Rs. In lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Amounts payable to related parties [Refer note 31]	93.72	257.46	3.18
Others	171.93	254.42	0.34
Total	**265.65**	**511.88**	**3.52**

Refer Note 29
Refer note 34 for information about liquidity risk and market risk of trade payables.

Dress Master Apparel Private Limited
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Notes to the financial statements

16 Other Current financial liabilities (Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrued but not due on borrowings	-	6.38	-
Salary and Wages payable	193.25	146.80	-
Total	**193.25**	**153.18**	**-**

17 Other current liabilities (Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory Dues	40.51	32.50	-
Other payables	9.56	8.56	-
Government grants related to Assets (Refer note 14)	1.55	-	-
Total	**51.62**	**41.06**	**-**

18 Provisions (Rs.in Lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for employee benefits			
Provision for Gratuity [Refer Note 30]	85.49	72.86	-
Provision for Leave Entitlement	44.08	28.33	-
Total	**129.57**	**101.19**	**-**

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Notes to the financial statements

19 Revenue from Operations (Rs.in Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Sale of Products		
Manufactured goods	1,297.18	650.42
Sales of Services		
Job Work	2,493.66	796.94
Other operating revenue		
Process waste sale	4.81	1.53
Total	**3,795.65**	**1,448.89**

20 Other income (Rs.in Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest income	1.10	0.03
Provision no longer required	-	5.18
Deferred Income on Government Grants (Refer Note 14)	0.85	-
Total	**1.95**	**5.21**

21 Cost of materials consumed (Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Raw materials consumed		
Opening Stock	64.52	-
Purchases	682.55	540.11
Less : Sales	28.56	21.93
Less : Closing Stock	48.21	64.52
Total	**670.30**	**453.66**

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Notes to the financial statements

22 Changes in inventories of finished goods, work-in-progress and accumulated cost of conversion :

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Opening inventories		
Finished goods	30.65	-
Work-in-progress	1.21	-
Accumulated cost of conversion contracts		
Completed	144.45	-
In Process	5.51	-
	181.82	-
Closing inventories		
Finished goods	2.91	30.65
Work-in-progress	-	1.21
Accumulated cost of conversion contracts		
Completed	110.18	144.45
In Process	11.77	5.51
	124.86	**181.82**
Total	**56.96**	**(181.82)**

23 Manufacturing and Operating Costs

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Consumption of stores and spare parts	140.66	47.53
Power and fuel	136.18	67.64
Job work charges	544.66	141.14
Repairs to buildings	23.49	3.71
Repairs to machinery	21.80	7.38
Other Manufacturing and Operating expenses	12.52	0.53
Excise duty on Garments	273.66	8.49
Total	**1,152.97**	**276.42**

24 Employee benefits expense

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries and wages	1,472.84	589.75
Contribution to provident funds and other funds	126.03	58.00
Defined benefit plan expense (Refer note 30)	37.48	23.15
Workmen and Staff welfare expenses	177.02	86.20
Total	**1,813.37**	**757.10**

Dress Master Apparel Private Limited
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Notes to the financial statements

25 Finance costs

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest expense on borrowings	254.03	113.26
Total	**254.03**	**113.26**

26 Depreciation and amortization expense

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Property, Plant and Equipment	110.53	59.29
Intangible Assets	3.45	-
Total	**113.98**	**59.29**

27 Other expenses

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Insurance	6.12	3.38
Rates and Taxes	20.32	2.08
Freight, Octroi, etc	1.59	1.19
Legal and Professional Expenses	67.21	32.47
Travelling & Conveyance	8.12	-
IT Outsourcing Cost	3.79	0.63
Security Charges	28.43	8.72
Miscellaneous Expenses	63.79	25.04
Total	**199.37**	**73.51**

Details of Payments to Auditor (Included in Legal and Professional Charges)

(Rs. In Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Audit Fees	3.45	3.44
Reimbursement of Expenses	0.47	-
Total	3.92	3.44

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Notes to the financial statements

28 Income taxes

Tax expense recognised in the Statement of Profit and Loss

(Rs.in Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Current tax		
Current year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary difference	(129.42)	(30.07)
Total deferred income tax expense/(credit)	**(129.42)**	**(30.07)**
Total income tax expense/(credit)	**(129.42)**	**(30.07)**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

(Rs.in Lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Enacted income tax rate in India	30.900%	30.900%
Profit before tax	463.38	97.32
Tax calculated at domestic tax rates applicable to profits in the respective countries	143.18	30.07
Differences due to:		
Reversal of excess asset created on tax loss	(13.76)	-
Total income tax expense/(credit)	129.42	30.07

The effective tax rate was 27.62% (2015-16: 30.90%).

The movement in deferred tax assets and liabilities during the year ended March 31, 2016 and March 31, 2017:

Movement during the year ended March 31, 2016	As at 1st April, 2015	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive	As at 31st Mar, 2016
Deferred tax assets/(liabilities)				
Expenses allowable for tax purposes when paid	-	1.22	-	1.22
Depreciation	-	(59.53)	-	(59.53)
Unabsorbed losses/depreciation	-	88.38	-	88.38
Total	-	30.07	-	30.07

Movement during the year ended March 31, 2017	As at 1st April, 2016	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive	As at 31st March, 2017
Deferred tax assets/(liabilities)				
Expenses allowable for tax purposes when paid	1.22	7.47	(1.44)	7.25
Depreciation	(59.53)	(53.36)	-	(112.89)
Unabsorbed losses/depreciation	88.38	175.31	-	263.69
Total	30.07	129.42	(1.44)	158.05

The company has incurred losses as the business was started only from September 2015 and these are part of the stabilisation phase of the Company. Considering the scale up of operations that the Company has been able to achieve in last 18 months and other plans, there is convincing evidence about the Company's ability to utilise the tax losess and unabsorbed depreciation. Accordingly deferred tax asset has been recognised on those items.

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Notes to the financial statements

29 The disclosure pursuant to the said Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') are as follows.

(Rs.in Lacs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Principal amount due to suppliers registered underthe MSMED Act and remaining unpaid as at year end	-	-	-	-	-	-
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, other than under Section 16 of MSMED Act, 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, for payments already made	-	-	-	-	-	-
Further interest remaining due and payable for earlier years	-	-	-	-	-	-

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Notes to the financial statements

30 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2017, 2016 and 1st April, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes:

The Company has unfunded Defined Benefit plan for post employment in the form of gratuity.

A. Balance Sheet

(Rs. in lacs)

	Defined benefit plans		
	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
Present value of plan liabilities	85.49	72.86	-
Plan liability net of plan assets	85.49	72.86	-

B. Movements in plan assets and plan liabilities

(Rs. in lacs)

	Year ended 31st March, 2017			Year ended 31st March, 2016		
	Plan liabilities	Plan Assets	Total	Plan liabilities	Plan Assets	Total
As at 1st April	72.86	-	72.86	-	-	-
Obligation taken over during the year.				49.71		49.71
Current service cost	31.62	-	31.62	23.15	-	23.15
Interest cost	5.87	-	5.87	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	5.24	-	5.24	-	-	-
Actuarial (gain)/loss arising from experience adjustments	(9.94)	-	(9.94)	-	-	-
Employer contributions	-	-	-	-	-	-
Benefit payments	(20.16)	-	(20.16)	-	-	-
As at 31st March	85.49	0.00	85.49	72.86	-	72.86

The weighted average duration of the defined benefit plans is 7 years (2015-16 : 7 Years)

C. Statement of Profit and Loss

Rs. in lacs

	Year ended 31st March, 2017	Year ended 31st March, 2016
Employee Benefit Expenses:		
Current service cost	31.62	23.15
Total	31.62	23.15
Finance cost/(income)	5.87	-
Net impact on the Profit / (Loss) before tax	37.48	23.15
Remeasurement of the net defined benefit liability:		
Actuarial gains/(losses) arising from changes in financial assumptions	5.24	-
Experience gains/(losses) arising on pension plan and other	(9.94)	
Net impact on the Other Comprehensive Income before tax	(4.70)	-

E. Assumptions

With the objective of presenting the plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assumptions			
Discount rate	7.30%	8.05%	-
Salary Escalation Rate	7.50%	7.50%	-

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Change in assumption	Increase in assumption (Rs Lacs)	Decrease in assumption (Rs Lacs)
Discount rate	1%	(6.86)	7.93
Salary Escalation Rate	1%	7.84	(6.91)
Employee Turnover	4%	(5.36)	6.09

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:

(Rs. in lacs)

Year ending 31 March,	Defined benefit obligation
2018	3.25
2019	5.03
2020	6.42
2021	7.17
2022	8.90
Thereafter	40.17

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31 Related Party Disclosures as per Ind AS -24

1. Relationship

(a) Ultimate Holding Company
Raymond Ltd. (w.e.f 10th Sep 2015)

(b) Holding Company
Silver Spark Apparel Ltd (w.e.f 10th Sep 2015)
Gokaldas Exports Limited (upto September 10, 2015)

c) Fellow subsidiary Companies with whom transation have taken place:
Raymond Apparel Limited
Celebrations Apparel Limited
Raymond Luxury Cottons Limited.
Everblue Apparel Limited

d) Key management personnel
Vishal Pratap Singh - Director
Sandeep Kumar - Director

2 Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. in lacs)

Nature of transactions	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Income			
Sales of Products	-	-	164.63 **
	(-)	(-)	(455.79)
Sales of Services (Job Work)	-	304.31	2100.05 *
	(-)	(331.05)	(436.34)
Purchase			
Purchase of Products	75.69	0.51	6.08 ***
	(-)	(0.10)	(198.69)
Purchase of Fixed Assets	-	-	-
	(-)	(1750.00)	(-)
Expenses			
Job Work charges	-	502.79	0.67 ^
	(-)	(59.80)	(9.85)
Others reimbursement	-	674.58	99.35 ^^
	(-)	(211.05)	(0.34)
Finance			
Unsecured Loan Received	-	400.00	-
	(-)	(2320.72)	(-)
Interest Expense	-	254.03	-
	(-)	(113.26)	(-)

(Rs. in lacs)

	31st March'17	31st March'16	1st April'15
Outstandings :			
Payable			
Ultimate Holding Company	75.69	-	-
Holding Company	18.03	149.05	3.18 $
Fellow Subsidiaries Company	-	108.41 #	-
Receivable			
Holding Company	-	-	-
Fellow Subsidiaries Company	405.24 ##	372.26 ##	-
Interest Accrued			
Holding Company	-	6.38	-
Loans Taken			
Holding Company	2720.72	2320.72	-

Note : Previous year, (hereinafter PY) figures are in bracket.
* Represents job work to Raymond Apparel Limited Rs.1924.84 Lacs; (PY Rs. 374.39 Lacs), Celebrations Apparel Limited Rs 174.1 Lacs (PY Rs 61.95 Lacs) and Everblue Apparel Limited Rs 1.11 Lacs (PY Rs Nil)
** Sold to Raymond Apparel Ltd Rs. 149.10 Lacs ; (PY Rs.453.66 Lacs) and Celebrations Apparel Limited Rs 15.53 Lacs (PY Rs 2.13 Lacs)
*** Represents purchase from Celebrations Apparel Limited Rs. Nil (PY Rs 27.13 Lacs) and Raymond Luxury Cottons Limited Rs 6.08 Lacs (PY Rs 171.56 Lacs).
^ Represents job work from Celebrations Apparel Limited Rs 0.67 lacs (PY Rs 9.85 Lacs).
^^ Represents reimbursement of expenses by Celebrations Apparel Limited Rs.99.35 Lacs (PY. Rs 0.34 Lacs)
# Represents with Celebrations Apparel Limited Rs Nil (PY Rs 37.12 Lacs) and Raymond Luxury Cottons Ltd Rs. Nil ; (PY Rs. 71.29 Lacs).
Includes receivable from Raymond Apparel Limited Rs 374.80 Lacs (PY Rs 370.13 Lacs),Celebrations Apparel Limited Rs 30.44 Lacs (PY Rs 2.13 Lacs)
$ Represents transaction/balances with Gokaldas Exports Ltd. All other transaction / balances pertaining to Holding Company relate to Silver Spark Apparel Limited.

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Notes to the financial statements

32 Contingent Liabilities

The company has no contingent liabilities/contingent assets as at end of the year.

33 Commitments

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Rs. in lacs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Property, plant and equipment	2.90	136.26	
	2.90	**136.26**	-
Less: Capital advances	0.56	105.66	-
Net Capital commitments	**2.34**	**30.60**	-

(b) Other Commitments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Guarantees given by the Company's Banker to Government Authorities for purchase under concessional duty/exemption scheme in respect of (net obligation fulfilled) (Refer note 14)	36.42	-	-
Net other commitments	**36.42**	-	-
Total Commitments (a+b)	**38.76**	**30.60**	-

34 Financial Risk Management

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control through approved policies and procedures over the entire process of market risk management.

Market Risk- Interest rate risk

The Company currently does not have variable interest rate borrowing and also does not have material transactions in foreign currency.

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of costumers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.
The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:
i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Maturity patterns of other Financial Liabilities

As at 1st April'15

(Rs in lacs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	3.52	-	-	-	-	3.52
Payable related to Capital goods	-	-	-	-	-	-
Other Current Financial liabilities	-	-	-	-	-	-
Total	**3.52**	**0.00**	**0.00**	**0.00**	**0.00**	**3.52**

As at 31st March'16

(Rs in lacs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	418.11	93.77				511.88
Other Current Financial liabilities	-	91.46	-	61.72	-	153.18
Total	**418.11**	**185.23**	**0.00**	**61.72**	**0.00**	**665.06**

As at 31st March'17

(Rs in lacs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	203.81	61.84				265.65
Other Current Financial liabilities	-	112.02	-	81.22	-	193.25
Total	**203.81**	**173.87**	**0.00**	**81.22**	**0.00**	**458.90**

Dress Master Apparel Private Limited
(formerly known as Robot Systems Private Limited)

35
Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lacs)

Financial Assets and Liabilities as at 31st March'2017				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances	-	1.78	1.78	-	-	-	-	-	-	-	-	-	-	1.78	1.78	1.78
Deposits with Others	24.02	-	24.02	-	-	-	-	-	-	-	-	-	-	24.02	24.02	24.02
Other Financial Assets	-	0.91	0.91	-	-	-	-	-	-	-	-	-	-	0.91	0.91	0.91
Trade receivable	-	462.09	462.09	-	-	-	-	-	-	-	-	-	-	462.09	462.09	462.09
Cash and Cash equivalents	-	108.97	108.97	-	-	-	-	-	-	-	-	-	-	108.97	108.97	108.97
	24.02	573.75	597.77	-	-	-	-	-	-	-	-	-	-	597.77	597.77	597.77
Financial Liabilities																
Borrowings	2,720.72		2,720.72	-	-	-	-	-	-	-	-	-	-	2,720.72	2,720.72	2,720.72
Other Financial Liabilities	-	193.25	193.25	-	-	-	-	-	-	-	-	-	-	193.25	193.25	193.25
Trade Payables	-	265.65	265.65	-	-	-	-	-	-	-	-	-	-	265.65	265.65	265.65
	2,720.72	458.90	3,179.61	-	-	-	-	-	-	-	-	-	-	3,179.61	3,179.61	3,179.61

(Rs. in lacs)

Financial Assets and Liabilities as at 31st March'2016				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans to Employees	-	2.28	2.28	-	-	-	-	-	-	-	-	-	-	2.28	2.28	2.28
Deposit with Others	6.40	-	6.40	-	-	-	-	-	-	-	-	-	-	6.40	6.40	6.40
Trade receivable	-	514.46	514.46	-	-	-	-	-	-	-	-	-	-	514.46	514.46	514.46
Cash and Cash equivalents	-	241.46	241.46	-	-	-	-	-	-	-	-	-	-	241.46	241.46	241.46
	6.40	758.20	764.60	-	-	-	-	-	-	-	-	-	-	764.60	764.60	764.60
Financial Liabilities																
Borrowings	2,320.72	-	2,320.72	-	-	-	-	-	-	-	-	-	-	2,320.72	2,320.72	2,320.72
Other Financial Liabilities	-	153.18	153.18	-	-	-	-	-	-	-	-	-	-	153.18	153.18	153.18
Trade Payables	-	511.88	511.88	-	-	-	-	-	-	-	-	-	-	511.88	511.88	511.88
	2,320.72	665.06	2,985.78	-	-	-	-	-	-	-	-	-	-	2,985.78	2,985.78	2,985.78

(Rs. in lacs)

Financial Assets and Liabilities as at 1st April'2015				Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Loans and Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposit with Others	5.25	-	5.25	-	-	-	-	-	-	-	-	-	-	5.25	5.25	5.25
Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	0.86	0.86	-	-	-	-	-	-	-	-	-	-	0.86	0.86	0.86
	5.25	0.86	6.11	-	-	-	-	-	-	-	-	-	-	6.11	6.11	6.11
Financial Liabilities																
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payables	-	3.52	3.52	-	-	-	-	-	-	-	-	-	-	3.52	3.52	3.52
	-	3.52	3.52	-	-	-	-	-	-	-	-	-	-	3.52	3.52	3.52

(Rs. in lacs)

	As at 31st March'17		As at 31st March'16		As at 1st April'15	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets						
Other Assets						
Loans and Advances	1.78	1.78	2.28	2.28	-	-
Other Financial Assets	24.02	24.02	6.40	6.40	5.25	5.25
Trade receivable	462.09	462.09	514.46	514.46	-	-
Cash and Cash equivalents	108.97	108.97	241.46	241.46	0.86	0.86
	596.86	596.86	764.60	764.60	6.11	6.11
Financial Liabilities						
Borrowings	2,720.72	2,720.72	2,320.72	2,320.72	-	-
Other Financial Liabilities	193.25	193.25	153.18	153.18	-	-
Trade Payables	265.65	265.65	511.88	511.88	3.52	3.52
	3,179.61	3,179.61	2,985.78	2,985.78	3.52	3.52

Maturity patterns of other Financial Liabilities

As at 1st April'15 (Rs in lacs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	3.52	-	-	-	-	3.52
Payable related to Capital goods	-	-	-	-	-	-
Other Current Financial liabilities	-	-	-	-	-	-
Total	**3.52**	**0.00**	**0.00**	**0.00**	**0.00**	**3.52**

As at 31st March'16 (Rs in lacs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	418.11	93.77				511.88
Other Current Financial liabilities	-	91.46	-	61.72	-	153.18
Total	**418.11**	**185.23**	**0.00**	**61.72**	**0.00**	**665.06**

As at 31st March'17 (Rs in lacs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	203.81	61.84				265.65
Other Current Financial liabilities	-	112.02	-	81.22	-	193.25
Total	**203.81**	**173.87**	**0.00**	**81.22**	**0.00**	**458.90**

36 Capital risk management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustements in the light of changes in economic enviroments. Currently the Company is entirely funded by it's parent Company in form of long term loans and equity.

37 Earnings per share

(Rs in lacs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	333.96	67.25
Weighted average number of equity shares outstanding	12,000	12,000
Earnings Per Share (Rs.) - Basic (Face value of Rs. 100 per share)	2,782.98	560.44
Diluted earning per share is same as basic earning per share.		

38 Segment Reporting

The Company's business activity falls within a single primary business segment of manufacture of Garments and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

The Company is having combined revenue of more than 10% with the related parties amounts to Rs. 2569.00 lakhs.Further there is no external customer having revenue of more than 10%.

39 In terms of the Share Purchase Agreement (SPA) dated 3rd of April, 2015 between the Company, Silver Spark Apparel Limited (SSAL), Gokaldas Exports Limited and Mr. Gautam Chakravarti, entire shareholding in the Company had been acquired by SSAL on 10th September 2015, resulting in the Company being wholly owned subsidiary of SSAL. Further effective from 27th November 2015 the name of the Company had been changed from Robot Systems Private Limited to Dress Master Apparel Private Limited.

Dress Master Apparel Private Limited
Notes to the financial statements

First-time adoption of Ind AS

40

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. Ind AS

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

A. **Optional Exemptions availed**

Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition

B. **Applicable Mandatory Exceptions**

(a) **Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after
Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in

(b) **Classification and measurement of financial assets**

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and

C. **Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as reuired under Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date)

II. A. Reconciliation of Balance sheet as at March 31, 2016

B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016

IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped

I. Reconciliation of Balance sheet as at April 1, 2015

	Notes to first time	Previous GAAP	Regrouping **	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS						
Non-current assets						
Property, Plant and Equipment		0.97		0.97		0.97
Long - term loans and advances		5.25	(5.25)	-		-
Other financial assets			5.25	5.25		5.25
Current assets						
Financial Assets						
Cash and cash equivalents		0.86		0.86		0.86
TOTAL		7.08	-	7.08	-	7.08
EQUITY AND LIABILITIES						
Equity						
Equity Share capital		12.00		12.00		12.00
Other Equity		(8.44)		(8.44)		(8.44)
LIABILITIES						
Current liabilities						
Financial Liabilities						
Trade payables			3.52	3.52		3.52
Other current liabilities		3.52	(3.52)	-		-
Current Tax Liabilities (Net)						
TOTAL		7.08	-	7.08	-	7.08

* As required under Paragraph (10C) of Ind AS 101 the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.

II. A. Reconciliation of Balance Sheet as at March 31, 2016

	Notes to first time	Previous GAAP	Regrouping **	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS						
Non-current assets						
Property, Plant and Equipment		1,741.18		1,741.18		1,741.18
Capital work-in-progress		14.45		14.45		14.45
Financial Assets						
Long - term loans and advances		128.35	(128.35)	-		-
Other financial assets			6.40	6.40		6.40
Deferred tax assets (Net)	B			-	30.07	30.07
Current Tax Assets (Net)			16.29	16.29		16.29
Other non-current assets			105.66	105.66		105.66
Current assets						
Inventories		283.35		283.35		283.35
Financial Assets						
Trade receivables		514.46		514.46		514.46
Cash and cash equivalents		241.46		241.46		241.46
Short - term loans and advances		15.04	(12.76)	2.28		2.28
Other current assets		95.98	12.76	108.74		108.74
TOTAL		3,034.27	(0.00)	3,034.27	30.07	3,064.34

	Note	Regrouped Indian GAAP	Regrouping **	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
EQUITY AND LIABILITIES						
Equity						
Equity Share capital		12.00		12.00	-	12.00
Other Equity		(105.76)		(105.76)	30.07	(75.69)
LIABILITIES						
Non-current liabilities						
Financial liabilities						
Long - term borrowings		2,320.72		2,320.72		2,320.72
Current liabilities						
Financial Liabilities						
Trade payables		511.88	-	511.88		511.88
Other financial liabilities			153.18	153.18		153.18
Other current liabilities		194.24	(153.18)	41.06		41.06
Short term provisions		101.19		101.19		101.19
TOTAL		3,034.27	0.00	3,034.27	30.07	3,064.34

II **B.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016**

	Note	Regrouped Indian GAAP	Regrouping **	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations	A	1,440.40		1,440.40	8.49	1,448.89
Other Income		5.21		5.21		5.21
Total		1,445.61	-	1,445.61	8.49	1,454.10
Expenses						
Cost of materials consumed		453.66		453.66	-	453.66
Changes in inventories of finished goods, Stock-in-Trade and work-in progress		(181.82)		(181.82)	-	(181.82)
Manufacturing and Operating Costs	A	267.93		267.93	8.49	276.42
Employee benefits expense		757.10		757.10		757.10
Finance costs		113.26		113.26		113.26
Depreciation and amortization expense		59.29		59.29		59.29
Other expenses		73.51		73.51		73.51
Total		1,542.93	-	1,542.93	8.49	1,551.42
Profit before exceptional items and tax		(97.32)	-	(97.32)	-	(97.32)
Exceptional Items		-		-		-
Profit before tax		(97.32)	-	(97.32)	-	(97.32)
Tax expense						
Current tax				-		-
Deferred tax (net)				-	(30.07)	(30.07)
Profit for the year (A)		(97.32)	-	(97.32)	30.07	(67.25)
Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
Remeasurements of net defined benefit plans		-	-	-	-	-
Other Comprehensive Income for the year (B)		-	-	-	-	-
Total Comprehensive Income for the year (A+B)		(97.32)	-	(97.32)	30.07	(67.25)
Less:-						
Equity holder of parent		(97.32)	-	(97.32)	30.07	(67.25)

III A **Reconciliation of Equity**

	Note	As at 31st March,2016	As at 1st April,2015
Total equity under local GAAP		(97.32)	(8.44)
Adjustments Impact: Gain/ (Loss)			
Deferred tax assets on tax losses	B	30.07	
Total IND AS adjustment		30.07	-
Total equity under Ind AS		(67.25)	(8.44)

III B **Reconciliation of Income Statement**

		Note	For the period ended 31st March'2016
Profit after tax under local GAAP		(97.32)	-
Adjustments Gain/ (Loss)			
Deferred tax assets on tax losses	B	30.07	
Total adjustment		30.07	-
Profit after tax as per Ind AS		(67.25)	-
Other comprehensive income			
Total comprehensive income as per Ind AS		(67.25)	-

III C Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016

	Notes	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flow from operating activities		(53.65)	0.00	(53.65)
Net cash flow from investing activities		(1,919.58)	0.00	(1,919.58)
Net cash flow from financing activities		2,213.84	(0.00)	2,213.83
Net increase/(decrease) in cash and cash equivalents		240.60		240.60
Cash and cash equivalents as at 1 April 2015		0.86	-	0.86
Effects of exchange rate changes on cash and cash equivalents				
Cash and cash equivalents as at 31 March 2016		241.46		241.46

Notes to first time adoption

The following explains the material adjustments made while transition from previous accounting standards to IND AS,

A Excise Duty

Under the previous GAAP revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by Rs.24.67 lacs. There is no impact on the total equity and profit.

B Deferred Tax

Under the previous GAAP, deferred tax assets unabsorbed depreciation or carry forward of losses under tax laws, were recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, whereas under IndAS, deferred tax asset on these items can be recognised when there is sufficient taxable temporary differences or there is convincing other evidence. Accordingly, the Company has recognised deferred tax asset aggregating Rs Nil as at 1st April 2015 and Rs.30.07 lacs as at 31st March 2016 on such items.

Jaykayorg S.A.

Neuchâtel

Report of the statutory auditors to the General Meeting

on the financial statements 2016

pwc

Report of the statutory auditors

on the limited statutory examination to the General Meeting of Jaykayorg S.A.

Neuchâtel

As statutory auditors, we have examined the financial statements of Jaykayorg S.A., which comprise the balance sheet, income statement and notes, for the year ended 31 December 2016.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

PricewaterhouseCoopers SA

sd/-	sd/-
Aude Joly	Anne Barthoulot
Audit expert	Audit expert
Auditor in charge	

Neuchâtel, 27 April 2017

Enclosures:

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

PricewaterhouseCoopers SA, place Pury 13, case postale, CH-2001 Neuchâtel 1, Switzerland
Téléphone: +41 58 792 67 00, Téléfax: +41 58 792 67 10, www.pwc.ch

Jaykayorg AG, Neuchâtel

Balance sheet as at 31 December
(in Swiss francs)

Assets	2016	2015
Current assets		
Cash and cash equivalents	817'518	1'527'518
Short-term investments with a quoted market price	1'438'505	608'888
Trade receivables	203'150	79'953
due from third parties	-	79'504
due from direct/indirect investments	203'150	449
Other current receivables	-	85'313
due from third parties	-	85'313
Accrued income and prepaid expenses	-	-
Total current assets	**2'459'172**	**2'301'672**
Non-current assets		
Financial assets	1'000'000	1'036'742
Long-term receivables from group companies	1'000'000	1'036'742
Investments	275'500	275'500
Property, plant and equipment	10'557	17'597
Total non-current assets	**1'286'057**	**1'329'839**
Total assets	**3'745'229**	**3'631'511**

Liabilities	2016	2015
Short-term liabilities		
Trade payables	49'851	-
due to third parties	4'039	-
due to direct/indirect investments	45'812	-
Accrued expenses and deferred income	10'436	44'770
Total short-term liabilities	**60'287**	**44'770**
Total liabilities	**60'287**	**44'770**
Shareholders' equity		
Share capital	50'000	50'000
Legal reserves	25'000	25'000
- Other legal reserves	25'000	25'000
Statutory retained earnings	4'488'533	4'488'533
Loss brought forward	-976'792	-1'087'939
Profit for the year	98'202	111'147
Total shareholders' equity	**3'684'942**	**3'586'741**
Total liabilities	**3'745'229**	**3'631'511**

Jaykayorg AG, Neuchâtel

Profit and loss statement for the financial year/period ended 31 December (in Swiss francs)

	2016	2015
Commission received	584'852	741'725
Commission paid	-	-23'915
Staff costs	-126'136	-237'686
Other operating expenses -	-365'049	-379'207
Marketing costs	-188'458	-230'446
Consultancy and development cost	-116'642	-106'289
Directors fees, accounting and audit	-59'948	-42'472
Depreciation and valuation adjustments to fixed assets	-7'039	-6'850
Operating Result	**86'629**	**94'067**
Financial income -	50'802	74'110
Profit on investment	-12'683	28'088
Interest income	41'473	43'531
Exchange profit	22'012	2'491
Financial expenses -	-44'920	-57'030
Bank Charges	-8'178	-6'033
Exchange loss	-36'742	-50'997
Extraordinary, non-recurring or prior-period expenses	5'691	-
Profit before taxes	**98'202**	**111'147**
Direct taxes	-	-
Profit for the year	**98'202**	**111'147**

Notes to the 2016 financial statements
(in Swiss francs)

1 Accounting principles applied in the preparation of the financial statements

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b SCO, effective since 1 January 2013). Significant balance sheet items are accounted for as follows:

Trade receivables

Trade receivables and other short-term receivables are carried at their nominal value. There is no value correction on this part.
Loans are confirmed with confirmation statements as of December 31,

Short-term investments with a quoted market price

Short-term investments with a quoted market price are priced according to market value as of December 31, according to bank statement. There is no fluctuation reserve related to art 960b para 2. of SCO.

Recognition of revenue

Commission received are resulting of payments from Raymond Europe Limited.
The commissions are used to finance the activity of Jaykayorg AG which is to create new commercial opportunities for the Raymond Group .The commission received in 2016 and 2015 are used to cover the costs of the actity.

Non-current assets and leases

Property, plant and equipment is carried at cost or manufacturing cost less depreciation. Assets held under finance leases are carried at the lower of the fair value of the asset and the present value of the minimum lease payments. The related outstanding finance lease obligations are presented under liabilities.

Depreciation is calculated on the basis of the following useful lives and in accordance with the following methods:

Property, plant and equipment	Useful life	Method
Computers	5 years	40% degressive
Vehicles and machinery	5 years	40% degressive

Foreign currencies

Monetary and non-monetary items in foreign currency are translated into Swiss francs at the following exchange rates:

Foreign currency	2016 profit and loss statement	Balance sheet as at 31.12. 2016
GBP	1.2393	1.2658
USD	1.0016	1.0309
EUR	1.0880	1.0866

Foreign currency	2015 profit and loss statement	Balance sheet as at 31.12.2015
GBP	1.5419	1.4811
USD	1.0104	0.9991
EUR	1.0943	1.0916

The exchange rates used for balance sheet items are the rates prevailing on December 31; the exchange rates used for transactions conducted during the course of the year and for items in the profit and loss statement are average rates for the 2016 respectively 2015 financial year.

Notes to the 2016 financial statements
(in Swiss francs)
2 Details, analyses and explanations to the financial statements
The company Jaykayorg AG is located in Neuchâtel.

The number of full-time equivalents did not exceed 10 on an annual average basis.

Equity participations

		2016		2015	
Name and legal form	Registered office	Capital	Votes in %	Capital	Votes in %
PT. Jayka Files Indonesia	Sidoarjo	332'000 RPH	15.2	332'000 RPH	15.2

Pension liabilities
As of 31 December 2016, there is no liability toward the pension scheme (2015: nil).

Significant events occurring after the balance sheet date
Nothing to mention.

Jaykayorg AG, Neuchâtel

Retained earnings carried forward
(in Swiss francs)

	2016	2015
Retained earnings at the beginning of the period	3'511'741	3'400'594
Profit for the year	98'202	111'147
Retained earnings available to the general meeting	**3'609'943**	**3'511'741**

Motion of the board of directors on the
allocation of retained earnings
(in Swiss francs)

	2016 Motion of the board of directors	2015 Resolution of the general meeting
Retained earnings available to the general meeting	**3'609'943**	**3'511'741**
Allocated to legal reserves	-	-
Distributed to shareholders	-	-
Carried forward	**3'609'943**	**3'511'741**

Registered number: 00427594

RAYMOND (EUROPE) LIMITED

Financial statements

For the Year Ended 31 December 2016

RAYMOND (EUROPE) LIMITED

Company Information

DIRECTORS	V. P. Singhania G. H. Singhania R. A. Don (resigned 27 March 2017) M. Mishra (appointed 28 March 2017)
COMPANY SECRETARY	M. Mishra
REGISTERED NUMBER	00427594
REGISTERED OFFICE	Barratt House 341-349 Oxford Street London W1C 2JE
INDEPENDENT AUDITORS	Simmons Gainsford LLP Chartered Accountants & Statutory Auditors 7-10 Chandos Street London W1G 9DQ

RAYMOND (EUROPE) LIMITED

Contents

Directors' report
For the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS

The directors who served during the year were:

V. P. Singhania
G. H. Singhania
R. A. Don (resigned 27 March 2017)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Simmons Gainsford LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 April 2017 and signed on its behalf.

sd/-

M. Mishra
Secretary

Independent auditors' report to the shareholders of Raymond (Europe) Limited (continued)

We have audited the financial statements of Raymond (Europe) Limited for the year ended 31 December 2016, set out on pages 5 to 16. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

sd/-

Oscar Dodd BA FCA (Senior statutory auditor)

for and on behalf of
Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors

7-10 Chandos Street
London
W1G 9DQ

25 April 2017

Profit and loss account
For the Year Ended 31 December 2016

	Note	2016 £	2015 £
TURNOVER		11,154,392	9,020,900
Cost of sales		(9,828,253)	(7,889,640)
GROSS PROFIT		1,326,139	1,131,260
Distribution costs		(444,189)	(371,499)
Administrative expenses		(728,844)	(637,569)
OPERATING PROFIT		153,106	122,192
Interest receivable and similar income	4	778	3
Interest payable and similar expenses	5	(61,696)	(48,708)
PROFIT BEFORE TAX		92,188	73,487
Tax on profit		(19,110)	(15,396)
PROFIT FOR THE YEAR		73,078	58,091

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

RAYMOND (EUROPE) LIMITED
Registered number: 00427594

Balance sheet
As at 31 December 2016

	Note		2016 £		2015 £
FIXED ASSETS					
Tangible assets	6		10,275		32,262
			10,275		32,262
CURRENT ASSETS					
Stocks	7	560,860		1,055,375	
Debtors: amounts falling due after more than one year	8	125,472		64,744	
Debtors: amounts falling due within one year	8	2,401,223		2,511,185	
Cash at bank and in hand	9	717,764		302,176	
		3,805,319		3,933,480	
Creditors: amounts falling due within one year	10	(2,537,095)		(2,857,867)	
NET CURRENT ASSETS			1,268,224		1,075,613
TOTAL ASSETS LESS CURRENT LIABILITIES			1,278,499		1,107,875
Creditors: amounts falling due after more than one year	11		(798,674)		(700,000)
PROVISIONS FOR LIABILITIES					
Deferred tax	12	-		(1,130)	
			-		(1,130)
NET ASSETS			479,825		406,745
CAPITAL AND RESERVES					
Called up share capital			1,000		1,000
Profit and loss account			478,825		405,745
			479,825		406,745

Balance sheet (continued)
As at 31 December 2016

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 April 2017.

sd/-

....
M. Mishra
Director
The notes on pages 8 to 16 form part of these financial statements.

1. GENERAL INFORMATION

Raymond (Europe) Limited is a private company limited by share capital, incorporated in England and Wales, registered number 00427594. The address of the registered office is Barratt House, 341-349 Oxford Street, London, W1C 2JE.

The principal activity of the company during the year was that of the wholesale of men's suits and shirts.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Commission income is recognised only when the customer has paid for the goods supplied and the cash is received.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 6 years
Fixtures, fittings and equipment	- 4 - 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. ACCOUNTING POLICIES (CONTINUED)

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

2.9 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

2. ACCOUNTING POLICIES (CONTINUED)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.14 Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 10 (2015 - 10).

4. INTEREST RECEIVABLE

	2016 £	2015 £
Other interest receivable	778	3
	778	3

Notes to the financial statements
For the Year Ended 31 December 2016

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Bank interest payable	32,188	20,378
Other interest payable	29,508	28,330
	61,696	48,708

6. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures, fittings & equipments £	Total £
COST OR VALUATION			
At 1 January 2016	43,885	98,176	142,061
At 31 December 2016	43,885	98,176	142,061
DEPRECIATION			
At 1 January 2016	35,249	74,550	109,799
Charge for the period on owned assets	7,432	14,555	21,987
At 31 December 2016	42,681	89,105	131,786
NET BOOK VALUE			
At 31 December 2016	1,204	9,071	10,275
At 31 December 2015	8,636	23,626	32,262

7. STOCKS

	2016 £	2015 £
Raw materials and consumables	117,267	336,243
Finished goods and goods for resale	443,593	719,132
	560,860	1,055,375

8. DEBTORS

	2016 £	2015 £
DUE AFTER MORE THAN ONE YEAR		
Trade debtors	100,728	40,000
Other debtors	24,744	24,744
	125,472	64,744

	2016 £	2015 £
DUE WITHIN ONE YEAR		
Trade debtors	2,177,261	2,234,103
Amounts owed by group undertakings	40,712	13,524
Other debtors	15,026	44,406
Prepayments and accrued income	164,895	219,152
	3,329	-

Deferred taxation		
	2,401,223	2,511,185

9. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	717,764	302,176
Less: bank overdrafts	(589,811)	(490,332)
	127,953	(188,156)

10. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	589,811	490,332
Trade creditors	1,119,663	1,849,727
Corporation tax	23,340	19,400
Other taxation and social security	47,382	52,679
Other creditors	8,236	6,445
Accruals and deferred income	748,663	439,284
	2,537,095	2,857,867

The bank overdraft is secured by a debenture over the company's assets.

11. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Amounts owed to group undertakings	798,674	700,000
	798,674	700,000

12. DEFERRED TAXATION

	2016
	£
At beginning of year	(1,130)
Charged to profit or loss	4,459
AT END OF YEAR	3,329

The deferred taxation balance is made up as follows:

	2016
	£
Accelerated depreciation	3,329
	3,329

13. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2016 the Company had future minimum lease payments under non-cancelable operating leases as follows:

	2016	2015
	£	£
Not later than 1 year	41,240	41,240
Later than 1 year and not later than 5 years	137,467	178,707
	178,707	219,947

14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided in FRS 102 Section 1A from disclosing transactions with members of the same group that are wholly owned.

15. CONTROLLING PARTY

The company regards Raymond Limited, a company incorporated in India, as its immediate and ultimate parent undertaking for the current and preceding year. The financial statements in which the results of the company are consolidated are available to the public at the following address;

Plot No. 156
H. No. 2
Village Zadgaon
Ratnagiri 415612
(Maharashtra)
India

16. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

17. AUDITORS' INFORMATION

The auditor's report for the accounts was unqualified, and there were no matters required to report by exception. The auditors were Simmons Gainsford LLP, and the audit report was signed by Oscar Dodd FCA, the senior statutory auditor.

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Registered number: 00427594

RAYMOND (EUROPE) LIMITED

Detailed accounts

For the Year Ended 31 December 2016

RAYMOND (EUROPE) LIMITED

Detailed profit and loss account
For the Year Ended 31 December 2016

	2016 £	2015 £
Turnover	11,154,392	9,020,900
Cost of sales	(9,828,253)	(7,889,640)
GROSS PROFIT	1,326,139	1,131,260
LESS: OVERHEADS		
Selling and distribution expenses	(444,189)	(371,499)
Administration expenses	(728,844)	(637,569)
OPERATING PROFIT	153,106	122,192
Interest receivable	778	3
Interest payable	(61,696)	(48,708)
PROFIT FOR THE YEAR	92,188	73,487

Schedule to the detailed accounts
For the Year Ended 31 December 2016

	2016 £	2015 £
Sales - UK	6,365,659	5,856,717
Sales - EU	1,793,193	1,236,879
Sales - Rest of world	1,011,925	70,719
Commissions receivable - EU	711,227	918,018
Commissions receivable -Rest of world	1,272,388	938,567
	11,154,392	9,020,900

	2016 £	2015 £
Opening stocks and work in progress	1,063,171	437,915
Closing stocks and work in progress	(560,860)	(1,063,171)
Purchases	7,754,361	7,231,427
Commissions payable	1,571,581	1,283,469
	9,828,253	7,889,640

	2016 £	2015 £
Promotion	126,110	113,144
Commission	89,655	87,282
Carriage	228,424	171,073
	444,189	371,499

Schedule to the detailed accounts
For the Year Ended 31 December 2016

	2016 £	2015 £
Staff salaries	251,390	274,542
Staff national insurance	24,220	28,001
Staff pension	346	-
Compensation for loss of office as employee	4,900	-
Motor running costs	5,216	9,692
Entertainment	6,150	6,138
Hotels, travel and subsistence	96,163	70,987
Printing and stationery	6,733	2,750
Telephone and fax	13,867	13,580
Computer costs	9,340	9,048
Trade subscriptions	4,214	1,575
Legal and professional	1,669	2,223
Auditors' remuneration	15,500	15,200
Auditors' remuneration - non-audit	5,679	4,845
Bank charges	19,593	8,142
Difference on foreign exchange	28,373	23,746
Sundry expenses	7,626	5,594
Rent	125,465	75,792
Rates	34,237	30,520
Light and heat	2,973	1,721
Cleaning	1,384	1,487
Insurances	25,326	28,131
Repairs and maintenance	2,618	1,102
Depreciation - motor vehicles	7,432	7,441
Depreciation - office equipment	2,161	2,918

Schedule to the detailed accounts
For the Year Ended 31 December 2016

Depreciation - fixtures and fittings	12,394	12,394
Recruitment cost	13,875	-
	728,844	637,569

	2016 £	2015 £
Bank interest receivable	2	3
Other interest receivable	776	-
	778	3

Schedule to the detailed accounts
For the Year Ended 31 December 2016

	2016 £	2015 £
Bank overdraft interest payable	32,188	20,378
Other interest	29,508	28,330
	61,696	48,708

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R & A Logistics, Inc.
Asheville, North Carolina

Financial Statements

March 31, 2017

GOULD KILLIAN
CPA GROUP, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

CONTENTS

GOULD KILLIAN
CPA GROUP, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Directors
R & A Logistics, Inc.
Asheville, North Carolina

We have audited the accompanying financial statements of R & A Logistics, Inc., which comprise the balance sheets as of March 31, 2017 and 2016, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

100 Coxe Avenue | Asheville, NC 28801 | P 828.258.0363 | F 828.252.0528 | www.gk-cpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of R & A Logistics, Inc. as of March 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental financial data is presented only for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

sd/-

Asheville, North Carolina
April 14, 2017

R & A LOGISTICS, INC.

Balance Sheets
March 31, 2017 and 2016

	2017	2016
Assets		
Current Assets:		
Cash and cash equivalents	$ 6,094	$ 11,869
Accounts receivable, net	131,416	138,487
Other receivables	2,680	-
Inventory	109,583	195,352
Due from parent	21,170	23,882
Prepaid expenses	657	3,882
Due from Venture Products International, Inc.	-	4,028
Total current assets	271,600	377,500
Other Assets:		
Deferred income tax benefit	8,160	1,650
Total other assets	8,160	1,650
	$ 279,760	$ 379,150
Liabilities and Shareholder's Equity		
Current Liabilities:		
Accounts payable	$ 163,595	$ 228,685
Accrued expenses	5,165	16,183
Total current liabilities	168,760	244,868
Shareholder's Equity:		
Common stock	300	300
Retained earnings	110,700	133,982
Total shareholder's equity	111,000	134,282
	$ 279,760	$ 379,150

The accompanying notes are an integral part of these financial statements.

R & A LOGISTICS, INC.

Statements of Income and Retained Earnings
For the years ended March 31, 2017 and 2016

	2017	2016
Revenues	$ 1,035,809	$ 1,207,763
Cost of goods sold	981,147	1,169,998
Gross profit	54,662	37,765
Operating expenses	84,454	106,656
Operating loss	(29,792)	(68,891)
Other income:		
Refund of import duty	-	82,163
Income (loss) before taxes	(29,792)	13,272
Provision for (benefit from) income taxes - deferred	(6,510)	1,991
Net income (loss)	(23,282)	11,281
Retained earnings, beginning of year	133,982	122,701
Retained earnings, end of year	$ 110,700	$ 133,982

The accompanying notes are an integral part of these financial statements.

R & A LOGISTICS, INC.

Statements of Cash Flows
For the years ended March 31, 2017 and 2016

		2017		2016
Cash Flows from Operating Activities:				
Net income (loss)	$	(23,282)	$	11,281
Adjustments to reconcile net income (loss) to net cash used for operating activities:				
Provision for bad debts		1,300		-
Provision for (benefit from) deferred income taxes		(6,510)		1,991
Changes in operating assets and liabilities:				
Accounts receivable		5,771		(15,072)
Other receivables		(2,680)		-
Inventory		85,769		407,222
Due from parent		2,712		(6,367)
Prepaid expenses		3,225		120
Due from Venture Products International, Inc.		4,028		(3,128)
Accounts payable		(65,090)		(436,393)
Accrued expenses		(11,018)		(9,872)
Net cash used for operating activities		(5,775)		(50,218)
Decrease in cash and cash equivalents		(5,775)		(50,218)
Cash and cash equivalents, beginning of year		11,869		62,087
Cash and cash equivalents, end of year	$	6,094	$	11,869
Supplemental Disclosure of Cash Flow Information				
Cash paid during the year for:				
Income taxes	$	-	$	809

The accompanying notes are an integral part of these financial statements.

Note 1 - Nature of Business and Summary of Significant Accounting Policies

Nature of Business
The Company sells ring gears and bearings used in the water coolant systems of multiple types of motorized vehicles. Credit sales are made to customers, located across the United States. The Company provides ongoing credit evaluations on its customers and no collateral is required.

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

Cash and Cash Equivalents
The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. All of the Company's noninterest-bearing cash balances were fully insured at March 31, 2017.

Accounts Receivable and Allowance for Doubtful Accounts
The Company sells its product to customers on an open credit basis. The Company's trade accounts receivable are due from such customers and are generally uncollateralized. Management provides an allowance for doubtful accounts based upon a review of existing receivables. Upon this review, there is an allowance of $4,300 and $3,000 for doubtful accounts for the years ending March 31, 2017 and 2016, respectively. Bad debt expense amounted to $1,300 and $6,841 for the years ended March 31, 2017 and 2016, respectively.

Inventories
Inventories are stated at cost, utilizing the weighted average method, or market, whichever is lower. Inventories at March 31, 2017 and 2016, consisted of:

	2017	2016
Finished goods	$ 109,583	$ 195,352

Accounts Payable
The Company purchases substantially all of its inventory from Venture Products International, Inc. Venture Products International, Inc. purchases substantially all of the inventory sold to R&A Logistics, Inc. from Ring Plus Aqua, Ltd., the parent company of R&A Logistics, Inc. Ring Plus Aqua, Ltd. indemnifies Venture Products International, Inc. of all liability regarding purchases should R&A Logistics, Inc. fail to pay.

Income Taxes
Income taxes are provided at current effective statutory rates, reduced by available tax credits. Operating results for the year ended March 31, 2016 resulted in income tax expense of $1,991 which was applied against an NOL carryforward from a prior year. Operating results for the fiscal year ended March 31, 2017 produced a net operating loss (NOL) for federal tax purposes and a net economic loss (NEL) for state tax purposes which can be applied against future years' taxable income. This NOL resulted in a tax benefit of $6,510 for the year ended March 31, 2017. At March 31, 2017, a remaining NOL/NEL carryforward of $40,796 is available to be applied against future year's federal and state taxable income. The carryforwards have resulted in a deferred tax asset of $8,160 and $1,650 being recorded as of March 31, 2017 and 2016, respectively. Management does not believe a valuation allowance is necessary as they fully expect to use these carryforwards within the allowable time period.

Freight Costs
The Company includes freight costs in cost of goods sold. Total freight and shipping expense included in cost of goods sold for the years ended March 31, 2017 and 2016 was $22,819 and $27,567, respectively.

Subsequent Events
R & A Logistics, Inc. evaluated the effect subsequent events would have on the financial statements through April 14, 2017, which is the date the financial statements were available to be issued.

Note 2 - Transactions With Related Parties

The Company has participated in various transactions with Ring Plus Aqua, Ltd., of which R&A Logistics, Inc. is a wholly owned subsidiary. Following is a summary of transactions for the years ended March 31, 2017 and 2016.

	2017	2016
Amounts due from parent	$ 21,170	$ 23,882
Accrued expense liability	5,165	15,890
Management fee	5,165	5,990
Travel reimbursement	-	9,900

Note 3 - Administrative Fees

The Company leases warehouse space, on a month-to-month basis, under a cancelable operating lease agreement with Venture Products International, Inc. This agreement also includes fees paid for various bookkeeping and administrative functions performed by employees of Venture Products International, Inc. Annual fees under these arrangements were $45,100 for each year ended March 31, 2017 and 2016, respectively.

Note 4 - Shareholder's Equity

Common stock has no par value. There are 100,000 shares authorized with 1,000 shares issued and outstanding at March 31, 2017 and 2016.

Note 5 - Major Customers

The Company had four major customers, comprising 75% of total revenues and 44% of total accounts receivable for the year ended March 31, 2017.

The Company had four major customers, comprising 75% of total revenues and 79% of total accounts receivable for the year ended March 31, 2016.

Note 6 - Reclassifications

Certain reclassifications were made to the 2016 financial statements in order to conform to the 2017 presentation.

SUPPLEMENTAL FINANCIAL DATA

R & A LOGISTICS, INC.

Schedules of Cost of Goods Sold
For the years ended March 31, 2017 and 2016

	2017	2016
Beginning inventory	$ 195,352	$ 602,574
Purchases	872,559	735,209
Freight in	22,819	27,567
Total cost of goods available for sale	1,090,730	1,365,350
Ending inventory	(109,583)	(195,352)
Total cost of goods sold	$ 981,147	$ 1,169,998

R & A LOGISTICS, INC.

Schedules of Operating Expenses
For the years ended March 31, 2017 and 2016

		2017		2016
Administrative	$	45,100	$	45,100
Bank charges		13,891		14,892
Professional fees		10,350		12,770
Insurance		7,186		9,432
Management fees		5,165		5,990
Bad debts		1,300		6,841
Miscellaneous		619		602
Telephone		593		836
Taxes - other		250		293
Travel		-		9,900
Total operating expenses	$	84,454	$	106,656

R & A Logistics, Inc.
Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	For The Period Ended 31st Mar, 2017		For The Year Ended 31st March, 2016	
	US$	Rs.	US$	Rs.
Sales	10,35,809	6,94,30,277	12,07,763	7,91,68,865
Other Income	-	-	82,163	53,85,785
Net Sales	**10,35,809**	**6,94,30,277**	**12,89,926**	**8,45,54,649**
Cost of Goods sold				
Op. Stock	1,95,352	1,29,42,070	6,02,574	3,76,60,875
Add : Purchases	8,72,559	5,84,87,630	7,35,209	4,81,92,950
Freight Inward, Duty & Warehouse exps	22,819	15,29,558	27,567	18,07,017
Less : Closing stock	(1,09,583)	(71,06,458)	(1,95,352)	(1,29,42,070)
Total Cost of Goods Sold	**9,81,147**	**6,58,52,800**	**11,69,998**	**7,47,18,772**
Gross Profit	54,662	35,77,477	1,19,928	98,35,878
Less: Operating expenses				
Administrative fees (warehouse charges)	45,100	30,23,053.00	45,100	29,56,305
Management fee	5,165	3,34,950.25	5,990	3,92,645
Taxes - Others	593	39,748.79	293	19,206
Bank charges	13,891	9,31,113.73	14,892	9,76,171
Insurance	7,186	4,81,677.58	9,432	6,18,268
Travelling Cost	250	16,757.50	9,900	6,48,945
Bad Debts	-	-	6,841	4,48,428
Professional Fees	10,350	6,93,760.50	12,770	8,37,074
Telephone	619	41,491.57	836	54,800
Miscellaneous	1,300	87,139.00	602	39,461
Total Operating expenses	**84,454**	**56,49,692**	**1,06,656**	**69,91,301**
Operating Profit	**(29,792)**	**(20,72,214)**	**13,272**	**28,44,577**
Other income				
Income before income taxes	**(29,792)**	**(20,72,214)**	**13,272**	**28,44,577**
translation gain/(loss)		(61,541)		(15,05,433)
Income taxes	(6,510)	(4,35,910)	1,991	1,30,510
Net income	**(23,282)**	**(16,97,846)**	**11,281**	**12,08,633**
Retained earnings, beginning of year	**1,33,982**	88,82,246	**1,22,701**	76,73,613
Retained earnings, end of year	**1,10,700**	**71,84,400**	**1,33,982**	**88,82,246**

For R & A Logistics Inc.

sd/-

Authorised Signatory
Place : Mumbai
Date : 27th April 2017

R & A Logistics, Inc.

Balance Sheet As At 31.3.2017

	As At Mar 2017		As At March 2016	
	US$	**Rs.**	**US$**	**Rs.**
Assets				
Current Assets :				
Cash and cash equivalents	6,094	3,95,196	11,869	7,86,335
Accounts receivable	1,31,416	85,22,328	1,38,487	91,74,764
Other receivables	2,680	1,73,798	4,028	2,66,855
Due from RPAL	21,170	13,72,875	23,882	15,82,183
Prepaid Exps	657	42,606	3,882	2,57,183
Inventory	1,09,583	71,06,458	1,95,352	1,29,42,070
Deferred Income Tax Benefit	8,160	5,29,176	1,650	1,09,313
Total Current Assets	**2,79,760**	**1,81,42,436**	**3,79,150**	**2,51,18,701**
Liabilities and Shareholders' Equity				
Current Liabilities :				
Accounts payable	1,63,595	1,06,09,136	2,28,685	1,51,50,381
Accounts payable (Expenses)	5,165	3,34,950	16,183	10,72,124
Total Current Liabilities	**1,68,760**	**1,09,44,086**	**2,44,868**	**1,62,22,505**
Shareholders' Equity :				
Common stock	**300**	13,950	**300**	13,950
Retained earnings	**1,10,700**	71,84,400	**1,33,982**	88,82,246
Total Shareholders' Equity	**1,11,000**	**71,98,350**	**1,34,282**	**88,96,196**
TOTAL	**2,79,760**	**1,81,42,436**	**3,79,150**	**2,51,18,701**

For R & A Logistics Inc.

sd/-

Authorised Signatory
Place : Mumbai
Date : 27th April 2017

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

1st Audited Financial Statements
From September 10, 2015 to December 31, 2016

CONTENTS

Independent Auditor's Report to the Shareholders of

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Report on the Financial Statements

We have audited the accompanying financial statements of SILVER SPARK MIDDLE EAST FZE, SAIF Zone, U.A.E., which comprises the Statement of Financial Position as at December 31, 2016 and the income statement, statement of changes in equity and cash flow statement from September 10, 2015 to December 31, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities, and for such internal control as management determines is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of SILVER SPARK MIDDLE EAST FZE, SAIF Zone, U.A.E. as at December 31, 2016 and of its financial performance and its cash flows from September 10, 2015 to December 31, 2016 in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and comply with Sharjah Airport International Free Zone Authority's Implementing Regulations issued pursuant to Emiri Decree No. 2 of 1995 of H.H.Sheikh Sultan Bin Mohammed Al Qassimi, The Ruler of Sharjah.

Other Legal and Regulatory Requirements

As required by the above Implementing Regulations, we further confirm that we have obtained all informations and explanations necessary for our audit and that proper books of accounts have been kept by the company. We are not aware of any violation of the above mentioned Regulations and the Articles of Association, which may have had a material effect on the business of the company or on its financial position.

sd/-
Chartered Accountants
Dubai, United Arab Emirates
Dated :January 11, 2017

+9714.3517225 +9714.3526510 ppparme@eim.ae paragarme.com
203 ZAHRA TECHNO CENTER KHALID BIN WALID ST BURDUBAI PO BOX 120341 DUBAI UAE
Member Firm of ARME International

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Statement of Financial Position

As at December 31, 2016 *All figures are expressed in Dirhams*	Note	As at **31.12.2016**
Non - Current Assets		
Investment in Subsidiary	3	2,823,284
	A	2,823,284
Current Assets		
Cash and Bank Balances	4	7,090,532
Deposits, Advances and Prepayments	5	6,882,896
Due From Related party	6	136,460
	CA	14,109,888
Current Liabilities		
Other Payables		9,738
Due To Related party	6	718,973
	CL	728,711
Net Current Assets	B = CA-CL	13,381,177
Net Assets	A+B	16,204,461
Shareholder's Equity		
Share Capital		150,000
Additional Share Capital		16,200,000
Accumulated Loss		-145,539
		16,204,461

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were approved on January 11, 2017 and signed on behalf of the Board by

sd/-

Mr. Hariharan Sunder
Director

Auditor's Report Page - 2

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Income Statement
From September 10, 2015 to December 31, 2016

All figures are expressed in Dirhams

	Note	
Income		0
Expenses		
Administrative Cost		145,539
Sub - total		145,539
Net Loss taken to Accumulated Profits		-145,539

Financial Statements were authorised on January 11, 2017 on behalf of the Board by

sd/-

Mr. Hariharan Sunder
Director

Auditor's Report Page - 2

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Statement of Changes in Equity
From September 10, 2015 to December 31, 2016

All figures are expressed in Dirhams

	Share Capital	Additional Capital	Accumulated Profits	Total
Balance as at 10.09.2015	0	0	0	0
Capital Introduced	150,000	16,200,000	0	16,350,000
Transfer from Income Statement	0	0	-145,539	-145,539
Balance as at 31.12.2016	150,000	16,200,000	-145,539	16,204,461

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

	Cash Flow Statement		**PE**
	From September 10, 2015 to December 31, 2016		**31.12.2016**
	All figures are expressed in Dirhams		
I	**Cash Flow from Operating Activities**		
	Net Profit / Operating Profit		-145,539
	(Before changes in operating assets and liabilities)		
	Deposits, Advances and Prepayments		-6,882,896
	Trade Payables		9,738
	Due From Related party		-136,460
	Net Cash used in Operating Activities		-7,155,157
II	**Cash Flow from Investing Activities**		
	Investment in Subsidiary		-2,823,284
III	**Cash Flow from Financing Activities**		
	Due To Related party		718,973
	Capital Introduced		16,350,000
	Net Cash from Financing Activities		17,068,973
	Changes in Cash and Cash Equivalents	I+II+III	7,090,532
	Cash and Cash Equivalents at the beginning		0
	Cash and Cash Equivalents at the end		7,090,532
			0
	Supplemental Cash Flow Statement Information		
	Non-Cash Transactions		Nil

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Accounting Policies and Explanatory Notes
From September 10, 2015 to December 31, 2016

1a **Legal Status**

SILVER SPARK MIDDLE EAST FZE is a FZC with limited liability pursuant to Emiri Decree No. 2 of 1995 of H.H.Sheikh Sultan Bin Mohammed Al Qassimi, The Ruler of Sharjah and Implementing Regulations issued there under by the Sharjah Airport International Free Zone Authority as per Certificate of Incorporation No: 6015 and licence number 15857 both dated September 10, 2015.

The registered office of the company is located at SAIF Desk, Q1-05-024/ B, P.O. Box - 513549, SAIF ZONE, Sharjah, U.A.E.

As per the Memorandum of Association and as per Share Certificate No. 6015 dated September 10, 2015, the following is the shareholder of the company.

	Nationality	*Shares*	*Value*
Silver Spark Apparel Limited (India)	India	1	150,000
		1	150,000

Share capital of the company is AED 150,000/- divided into 1 share of AED 150,000/-each.

1b **Business Activities**

The company is licensed for services and investment of own financial resources. The company is in the process of commencing its operations as on the date of these financial statements.

1c **Management**

As per the Parent Company's Board Resolution dated July 29, 2015, the FZE will be managed by the Board of Directors, Mr.Gautam Hari Singhania and Mr. Hari Haran Sunder and Mr. Parag Parekh shall be the Manager on the licence.

2 **Accounting Policies**

The company prepares its financial statements in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

a **Accounting Basis**

These financial Statements are prepared under the accrual basis of accounting. Under the accrual basis, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

b **Measurement Basis**

These Financial Statements have been prepared on historical cost basis.

c **Functional / Presentation Currency**

The financial statements are prepared in UAE Dirhams, which is considered to be the company's principal trading currency.

d **Trade Receivables**

Trade receivables are carried at anticipated realisable value. A provision is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

e **Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprises of cash, bank overdraft, bank current and call accounts, fixed deposits free from lien with a maturity date of 3 months or less from the date of deposit.

3 **Investment**

Share Capital of Silver Spark Apparel Ethiopia PLC	735,200
Additional Share Capital of Silver Spark Apparel Ethiopia PLC	2,088,084
	2,823,284

As per management policy, these investments are retained at the rate of exchange on actual remittance.

4 **Cash and Bank Balances**

Bank Current Accounts	7,090,532

5 **Deposits, Advances and Prepayments**

Advances to Suppliers	6,860,896
Prepaid expenses	22,000
	6,882,896

6 **Related Party Transactions**

The concern in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Party contained in the IFRS for SMEs section 33. The concern believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

Related Parties of the entity include the following:

i Silver Spark Apparel Ltd - India
Balances
Due to related party 718,973

ii Raymond Lifestyle International DMCC
Balances
Due from related party 136,460

7 **Foreign Currency Translation (Section 30 - IFRS for SMEs)**

Foreign currency balances are converted into U.A.E. Dirham's at the closing rate of exchange on the last day of the reporting period.

Foreign currency balances outstanding as on Statement of Financial Position date are reinstated into U.A.E. Dirham's at the rate of exchange prevailing on Statement of Financial Position date.

Foreign currency loss or gains arising are accounted to the income statement.

8 **Significant Events Occurring After the Balance Sheet Date**

There were no significant events occurring after the balance sheet date which require disclosure in the financial statements.

9 In the opinion of the management all the assets as shown in the financial statements are existing and realisable at the amounts shown against them. There are no liabilities against the concern, contingent or otherwise, not included in the above financial statements.

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Raymond Life style International DMCC
Dubai, U.A.E.

1st Audited Financial Statements
Period : March 24, 2016 to March 31, 2017

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Independent Auditor's Report to the Sole Shareholder of
Raymond Lifestyle International DMCC, Dubai , UAE

Report on the Financial Statements
We have audited the accompanying financial statements of Raymond Lifestyle International DMCC, Dubai, U.A.E. which comprises the Statement of Financial Position as at March 31, 2017, the income statement, statement of changes in equity and cash flow statement for the period from March 24, 2016 to March 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standard for Small and Medium Sized Entities, and for such internal control as management determines is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevent to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements give a true and fair view of the financial position of Raymond Lifestyle International DMCC, Dubai, U.A.E. as at March 31 ,2017 and of its financial performance and its cash flows for the period from March 24, 2016 to March 31, 2017 in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and comply with requirements under the provisions of Law No. (4) of 2001 and order dated May 1st, 2002 in respect of establishing Dubai Multi Commodities Centre.

Other Legal and Regulatory Requirements
We further confirm that we have obtained all informations and explanations necessary for our audit and that proper books of accounts have been kept by the company. We are not aware of any violation of the above mentioned Regulations and the Articles of Association, which may have had a material effect on the business of the company or on its financial position.

sd/-
Chartered Accountants
Dubai, United Arab Emirates
Dated : April 17, 2017

+9714.3517225 +9714.3526510 ppparme@eim.ae paragarme.com
203 ZAHRA TECHNO CENTER KHALID BIN WALID ST BURDUBAI PO BOX 120341 DUBAI UAE
Member Firm of ARME International

Raymond Lifestyle International DMCC
Dubai , UAE

Statement of Financial Position
As at March 31, 2017
All figures are expressed in U.A.E Dirhams

Current Assets		
Deposits, Advances and Prepayments		145,456
Cash Bank		10,389
	(A)	155,845
Current Liabilities		
Accruals & Provisions		44,076
Due to Related party	5	372,108
Other Payable		61,374
	(B)	477,558
Net Assets	(A-B)	-321,713
Shareholders' Equity		
Share Capital		100,000
Additional Capital		700,000
Accumulated Losses		-1,121,713
		-321,713

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were approved on April 17, 2017 and signed by

sd/-

Mr. Hariharan Sunder
Director

Auditor's Report Page - 2

Raymond Lifestyle International DMCC
Dubai , UAE

Income statement
For the period : March 24, 2016 to March 31, 2017

All figures are expressed in U.A.E Dirhams

Sales		20,880
Cost of sales	4	18,768
Gross Profit		2,112
Expenses		
Administrative Expenses		203,112
Office Rent		161,880
Personnel Costs		758,833
Total		1,123,825
Net Loss taken to balance sheet		-1,121,713

sd/-

Mr. Hariharan Sunder
Director

Auditor's Report Page - 2

Raymond Lifestyle International DMCC, Dubai , UAE

Statement of Changes in Equity
For the period : March 24, 2016 to March 31, 2017

All figures are expressed in U.A.E Dirhams

	Share capital	Additional capital	Accumulated Losses	Total
Funds Introduced	100,000	700,000	0	800,000
Transfer from Income Statement	0	0	-1,121,713	-1,121,713
Balance as at 31.3.2017	100,000	700,000	-1,121,713	-321,713

Raymond Lifestyle International DMCC, Dubai , UAE

Cash Flow Statement
For the period : March 24, 2016 to March 31, 2017

All figures are expressed in U.A.E Dirhams

I	**Cash flow from Operating Activities**		
	Net Loss		-1,121,713
	Changes in operating assets and liabilities		0
	Deposits & Prepayments		-145,456
	Accruals & Provisions		44,076
	Other Payables		61,374
	Net Cash (used in) / flow from Operating Activities		-1,161,719
II	**Cash Flow from Investing Activities**		
	Net Cash from / (used in) Investing Activities		0
III	**Cash Flow from Financing Activities**		
	Fund Introduced		800,000
	Due to Related party		372,108
	Net Cash from / (used in) Financing Activities		1,172,108
	Changes in Cash and Cash Equivalents	I+II+III	10,389
	Cash and Cash Equivalents at Beginning		0
	Cash and Cash Equivalents at End		10,389

Supplemental Cash Flow Statement Information

Non-Cash Transactions Nil

Raymond Lifestyle International DMCC, Dubai , UAE

Accounting Policies and Explanatory Notes
For the period : March 24, 2016 to March 31, 2017

All figures are expressed in U.A.E Dirhams

1a **Legal Status**

Raymond Lifestyle International DMCC is registered as Limited Liability Company with Dubai Multi Commodities Centre, Dubai, United Arab Emirates, as per the DMCC Company regulation No. 1/03.

The Company was incorporated on 20th March 2016 as per certificate number DMCC-54900.The Company holds Trading licence number DMCC-185130 issued on 24th March 2016 by the DMCC.

As per the Share Certificate Number SD - 250312 dated March 24, 2016, the following is the shareholder contributing to the share capital of the company :

	Nationality	Shares
Raymond Limited	India	100

Share capital of the company is AED 100,000/- divided into 100 shares of AED 1,000/- each.

1b **Business Activities**

The company is registered for Trading in Textile, Gifts, Perfumes & cosmetics, Hand bags & leather products, Ready made garments Trading .

1c **Management**

As per the Parent Company's Board Resolution dated July 31, 2015, the DMCC Company will be managed by the Board of Directors, Mr.Gautam Hari Singhania and Mr. Hari Haran Sunder and Mr. Parag Pratap Parekh shall be the Manager on the licence.

2 **Accounting Policies**

The company prepares its financial statements in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

a **Accounting Basis**

These financial Statements, are prepared under the accrual basis of accounting. Under the accrual basis of accounting, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

b **Measurement Basis**

These Financial Statements have been prepared on historical cost basis.

c **Preparation Basis**

The financial statements are prepared in UAE Dirhams, which is considered to be the company's principal trading currency.

d **Foreign Currencies**

Transactions in foreign currencies are converted into U.A.E. Dirhams at rates ruling when entered into. Foreign currency balances are converted into U.A.E. Dirhams at the rate of exchange ruling at the Balance Sheet date. Resultant gain or loss is taken to Income Statement.

e **Revenue Recognition**

Sales are recognised when the company has transferred to the buyer significant risks and rewards of ownership of goods.

3 **Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprises of cash, bank overdraft, bank current and call accounts, fixed deposits free from lien with a maturity date of 3 months or less from the date of deposit.

Cash and Bank Balances	
Bank Current Accounts	10,389
	10,389

4 **Cost of Sales**

Opening Stock	0
Purchases	18,768
Closing Stock	0
	18,768

5 **Related Party Transactions**

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Party contained in the IFRS for SMEs section 33. The company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

Due to Related Parties

JKHC International FZE, UAE	40,470
Silver Spark Middle East FZE, UAE	312,870
Raymond Limited, India	
Balance Due	18,768
Transaction - Purchase	18,768

6 **Basic Financial Instruments (Section 11 of IFRS for SMEs)**

Financial Instruments means financial assets, financial liabilities and equity instruments.
Financial assets include Investments, cash, trade receivables, bank balances, deposits, advances and other receivables.
Financial liabilities include bank borrowings, trade payables, provisions and accruals, advances from customers, finance lease liabilities, other payables and employee end of service benefits.

a **Fair Values**

The fair values of the concern's financial assets and financial liabilities approximate to their carrying values.

b **Credit Risk, Interest Rate Risk and Exchange Rate Risk Exposure.**

i **Credit Risk**

Financial assets, which potentially expose the company to credit risk, comprise mainly of bank current accounts and trade receivables.

The company's bank accounts are placed with high credit quality financial institutions.

ii **Exchange Rate Risk**
There is no significant exchange rate risk as substantially most of the transactions are denominated in U.A.E. Dirhams or U.S. Dollars to which the U.A.E. Dirham is fixed except as disclosed below.

7 **Significant Events occurring after the Balance Sheet date**

There were no significant events occurring after the balance sheet date which require disclosure in the financial statements.

8 In the opinion of the management all the assets as shown in the financial statements are existing and realisable at the amounts shown against them. There are no liabilities against the concern, contingent or otherwise, not included in the above financial statements.

SILVER SPARK APPAREL ETHIOPIA PLC

AUDITORS' REPORT & ACCOUNTS
FOR THE PERIOD ENDED DECEMBER 31, 2016

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Tesfaye Teferi & Co,

ቻርተርድ ሠርቲፋይድ አካዉንታንትስ

Chartered Certified Accountants

P O Box 102297

E-mail: teferi@ethionet.et or ttandco@ethionet.et

Tele: 09115526485; Mobile: 0911219104

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4th Floor, Tibebu Building in front of Dream liner Hotel, Mesquel Flower, Addis Ababa, Ethiopia

ተስፋዬ ተፈሪ እና ጓደኞ
Tesfaye Teferi & Co.
ቻርተርድ ሠርቲፋይድ አካውንታንትስ
Chartered Certified Accountants (UK)
Mob. 251-091-121 91 04 Tel. 011-467 20 30/18 99 Fax 011-467 19 62
✉ 102297 Addis Ababa, Ethiopia
E-mail: teferi@ethionet.et
የተፈቀደለት ኦዲተር
Authorized Auditor

AUDITORS' REPORT ON THE ACCOUNTS OF SILVERS SPARK APPAREL ETHIOPIA PLC

1. We have audited the attached financial statements of Silver Spark Apparel Ethiopia PLC for the period ended December 31, 2016, which have been prepared under the historical cost convention, and the accounting policies set out on pages 3 and 4.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Principles and the requirements provided in the project agreement, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at December 31, 2016.

sd/-
Tesfaye Teferi & Co
Chartered Certified Accountants

Addis Ababa
April 27, 2017

SILVER SPARK APPAREL ETHIOPIA PLC
BALANCE SHEET
AS AT DECEMBER 31, 2016

	Notes	Birr	Birr
ASSET EMPLOYED			
Capital Work in Progress	2b, 3		21,645,631
Pre-operating Expense	2d, 4		5,105,966
			26,751,597
CURRENT ASSET			
Debtors and prepayments	2c, 2f, 5	7,939,317	
Cash at bank	6	4,008,605	
		11,947,922	
CURRENT LIABILITY			
Silver Spark Apparel Ltd	2f, 7	21,550,496	
NET CURRENT LIABILITY			(9,602,574)
			17,149,023
REPRESENTED BY			
Capital	1		4,200,000
Share application money	8		4,074,280
Silver Spark Middle East (FZE)	9		8,874,743
			17,149,023

SILVER SPARK APPAREL ETHIOPIA PLC
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED DECEMBER 31, 2016

1. BACKGROUND

Silver Spark Apparel Ethiopia PLC was established on August 8, 2016 for the purpose of manufacturing of wearing apparel including sport wears. The initial share capital was Birr 4,200,000 divided in to 2000 shares of Birr 2,100 par value each.

The Company is located in Southern, Nations, Nationalities and Peoples' Region (Hawassa) town in Hawassa Industrial Park. It has been issued investment permit No EIA-IP/024382/08 on September 5, 2016. The Company has not yet obtained its business license.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting-policies adopted and consistently applied by the Organization are the following: -

a) Basis of accounting

Accrual basis of accounting is adopted.

b) Fixed assets

Leasehold land is carried at historical cost. All other items of Fixed Assets are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation methods, estimated useful lives and residual value

The company depreciates its Fixed Assets over the useful life in the manner prescribed in Proclamation No 286/2002, Income tax proclamation of Ethiopia, and management believe that useful lives of assets are same as those prescribed in the proclamation.

Leasehold land is amortized over of period lease. Leasehold improvements are amortized over the period of lease or estimated useful lives whichever is lower.

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straig[illegible] the payments are structured to increase in line with ex[illegible] lessor's expected inflationary cost increases.

c) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months).

d) **Pre operating expense**

Pre operating expenses are stated at cost less accumulated amortization. Amortization is computed at a rate of 10% per annum on straight line basis after the start of operation which is the date of the business license that will be obtained by the company.

e) **Use of estimates and judgments**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known /materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

f) **Provision, contingent liabilities and Contingent Assets**

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.

Contingent Assets: Contingent Assets are neither recognized nor disclosed in the financial statements.

g) **Measurement of defined contribution**

As per the Private Organization Employees Pension Proclamation No. 715/2011, the company is required to make a defined contribution of a percentage of the employees' basic monthly salary to the fund. This is reported as part of employees salary and benefit to the extent it is incurred. Any unpaid amount is shown as current liability.

3. CAPITAL WORK IN PROGRESS

This cost represents cost of different machineries and their accessories imported from abroad. Installation is in progress at the conclusion of which the assets will be put to use and capitalized.

4. PREOPERATING EXPENSE

	Birr
Travelling Expenses (Air)	2,308,868
Legal & Professional Charges	1,381,041
Revaluation loss on foreign payable balance	494,499
Rent-Staff	299,000
Factory General Expenses	140,415
Incorporation Exp	69,220
Contract Labour Charges	64,360
Employee Training Expenses	54,914
Bank Charges	53,313
Repairs and Maintenance-Furniture & Fixtures	50,958
Employee Welfare -General	45,407
Telephone Expenses	39,947
Insurance	29,116
Employee Trainee Expenses	24,920
Sales Promotion Expenses	21,431
Car Hire Charges	19,700
Recruitment Expenses	5,878
Printing and Stationery	2,739
Bank Charges on Bills	240
	5,105,966

5. DEBTORS AND PREPAYMENTS

a)The composition of the balance is as follows:

	Birr
Prepaid rent to Industrial Park Development Corporation (IPDC) (note b)	4,312,884
Thermotech Engineers & Electros	2,391,879
Vijaya Energy Plus Pvt Ltd	947,726
Advance to suppliers	205,097
Work advance	59,731
Staff Debtors	22,000
	7,939,317

b)The company signed a rental agreement with the Industrial Parks Development Corporation (IPDC) on December 22, 2016 for a rental of sheds in the Industrial Park in Hawassa. According to the agreement rental fee of US$ 2 per square meter per month will be paid in the first 4years. The rent is agreed to be increased as indicated in the agreement from year 5 onwards. The term of the lease is for initial 15 years with renewal provision for 5 additional terms of 5 years each, making the total lease period 40 years. A park management company is hired by the lessor which will be responsible for maintenance and operations of the Industrial park and for which the company is required to make bi-annual fee in addition to the rental fee. The balance indicated above is the amount paid in advance, equivalent of US$ 200,000.

6. CASH AT BANK

	Birr
Commercial Bank of Ethiopia [Meskel flower Branch] USD	3,837,894
Commercial Bank of Ethiopia [Meskel flower Branch] ETB	170,711
	4,008,605

7. SILVER SPARK APPAREL LTD

The supplier, as per the commercial invoices, for all machineries and other fixed assets imported from abroad was Silver Spark Apparel Ltd. The total cost of the assets in transit on the balance sheet date is credited to this account. Silver Spark Apparel Limited, a company registered in India, is a 100% shareholder of Silver Spark Middle East (FZE) which in turn is a 99% owner of Silver Spark Apparel Ethiopia Ltd.

8. **SHARE APPLICATION MONEY**

Silver Spark Middle East (FZE), the current major shareholder, has a plan of increasing the shareholdings. Money has been paid towards the cost of the shares but the legal process to increases the capital has not been finalized.

9. **SILVER SPARK MIDDLE EAST (FZE)**

Silver Spark Middle East (FZE) is the major shareholder of the Company holding 1,990 shares of the total 2,000 shares. The funding for the operation of the Ethiopian Company comes mainly from it. The balance indicated is the total of expenditures paid by the shareholder on behalf of the Company.