

SWADESHI POLYTEX LIMITED

BALANCE SHEET AS AT 31st MARCH, 2019

(Rs. in '000)

Particulars	Note No	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>			
<b>(1) Non-current asset</b>			
(a) Property, Plant and Equipment	5	410	491
(b) Financial Assets:			
(i) Other bank balances	6	-	2,000
(c) Deferred Tax Assets (Net)	7	43,197	37,826
(d) Other non-current assets	8	1,340	5,090
<b>Total non-current assets</b>		<b>44,947</b>	<b>45,407</b>
<b>(2) Current Asset</b>			
(a) Inventories	9	65,341	68,212
(b) Financial Assets:			
(i) Cash and cash equivalents	10	12,589	8,037
(ii) Other bank balances	11	-	5,909
(iii) Loans	12	5,121	5,121
(iv) Others	13	77	110
(c) Other Current Assets	14	5,000	417
<b>Total current assets</b>		<b>88,128</b>	<b>88,106</b>
<b>Total Assets</b>		<b>133,075</b>	<b>133,513</b>
<b>II EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	39,000	39,000
(b) Other equity	16	(480,895)	(560,779)
<b>Total Equity</b>		<b>(441,895)</b>	<b>(521,779)</b>
<b>LIABILITIES</b>			
<b>(1) Non current liabilities</b>			
(a) <b>Financial liabilities</b>			
(i) Other financial liabilities	17	24,983	24,983
<b>Total non-current liabilities</b>		<b>24,983</b>	<b>24,983</b>
<b>(2) Current liabilities</b>			
(a) <b>Financial liabilities:</b>			
(i) Borrowings	18	163,023	254,236
(ii) Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		9,372	7,449
(iii) Other Financial Liabilities	20	4,599	80,458
(b) Other current liabilities	21	372,131	288,166
(c) Provisions	22	862	-
<b>Total current liabilities</b>		<b>549,987</b>	<b>630,309</b>
<b>Total Equity and Liabilities</b>		<b>133,075</b>	<b>133,513</b>

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached

For SPMR & Associates

CHARTERED ACCOUNTANTS



FRN : 007578N, M.No. : 088221

For and on behalf of the Board of Directors

*(S.B. Singh)*  
S.B. Singh  
Director  
(DIN 03225016)

*(B. Mehrotra)*  
B. Mehrotra  
Director  
(DIN 03279399)

Place : Faridabad

Camp: Shimla

Date : 11-05-2019

*(Bhuvan Chaturvedi)*  
Bhuvan Chaturvedi  
Chief Executive Officer

*(Promod Pandey)*  
Promod Pandey  
Chief Financial Officer

*(Stuti Thukral)*  
Stuti Thukral  
Company Secretary

**SWADESHI POLYTEX LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019**

(Rs. in '000)

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>INCOME</b>			
Revenue from operations	23	131,571	31,948
Other Income	24	1,210	27,729
<b>Total Income</b>		<b>132,781</b>	<b>59,677</b>
<b>EXPENSES</b>			
Land Development Expenses		2,168	497
Changes in inventories	25	2,871	1,071
Finance Costs	26	28,587	36,434
Depreciation and amortization expense	5	81	92
Other expenses	27	23,334	22,145
<b>Total Expenses</b>		<b>57,041</b>	<b>60,239</b>
<b>Profit / (Loss) before tax</b>		<b>75,740</b>	<b>(562)</b>
Less : Tax Expenses			
- Current tax		16,246	(95)
- Deferred tax		(5,371)	4,555
<b>Total Tax Expenses</b>		<b>10,875</b>	<b>4,460</b>
<b>Profit / (Loss) from continuing operations</b>		<b>64,865</b>	<b>(5,022)</b>
Profit / (Loss) from discontinued operations	28	18,913	2,021
Tax expenses of discontinued operations		3,894	375
<b>Profit / (Loss) from discontinuing operations after tax</b>		<b>15,019</b>	<b>1,646</b>
<b>Total Comprehensive Income for the year</b>		<b>79,884</b>	<b>(3,376)</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>			
<b>-Continued Business</b>			
(i) Basic (in Rs.)	29	16.63	(1.29)
(ii) Diluted (in Rs.)	29	16.63	(1.29)
<b>Earnings per equity share of face value of Rs. 10 each</b>			
<b>- Discontinued Business</b>			
(i) Basic (in Rs.)	29.1	3.85	0.42
(ii) Diluted (in Rs.)	29.1	3.85	0.42

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached


For and on behalf of the Board of Directors

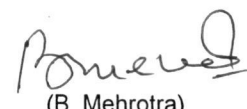
For SPMR & Associates

CHARTERED ACCOUNTANTS

  
(M.S. Ladha)  
Partner  
FRN : 007578N, M.No. : 088221




  
(S.B. Singh)  
Director  
(DIN 03225016)

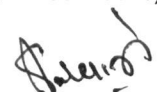
  
(B. Mehrotra)  
Director  
(DIN 03279399)


Place : Faridabad

Camp: Shimla

Date : 11-05-2019

  
(Bawan Chaturvedi)  
CHIEF EXECUTIVE  
OFFICER

  
(Promod Pandey)  
Chief Financial Officer

  
(Stuti Thukral)  
Company Secretary

**SWADESHI POLYTEX LIMITED**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2019**


(Rs. in '000)

	Year Ended 31-03-2019 Amount (Rs)	Year Ended 31-03-2018 Amount (Rs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year before Tax	94,653	1,459
<u>Adjustments for :</u>		
Depreciation and amortization expenses	81	92
Finance Costs	28,587	36,434
Interest received	(1,210)	(27,729)
<b>Operating Profit before working capital changes</b>	<b>122,111</b>	<b>10,256</b>
<u>Net Change in :</u>		
Other non-current assets	3,750	945
Inventories	2,871	1,071
Financial-Non-current assets	2,000	(2,000)
Other current assets	(4,583)	(394)
Trade payables	1,923	2,969
Other-current Liabilities	83,965	(19,149)
Provisions	862	(1,164)
<b>Cash generated from Operations</b>	<b>212,899</b>	<b>(7,466)</b>
Direct Taxes Paid	(20,140)	(280)
<b>Net Cash flow from Operating activities (A)</b>	<b>192,759</b>	<b>(7,746)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	(16)
Interest received on Loans and Fixed Deposits with Banks	1,243	27,624
<b>Net cash used in Investing activities (B)</b>	<b>1,243</b>	<b>27,608</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment) of Borrowings	(91,213)	-
Finance Costs Paid	(104,446)	(13,643)
<b>Net cash from / (used in) financing activities (C)</b>	<b>(195,659)</b>	<b>(13,643)</b>
<b>Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(1,657)</b>	<b>6,219</b>
Cash and Cash Equivalents at the beginning of the year (Refer Note 10 and 11)	14,246	8,027
Cash and Cash Equivalents at the end of the year (Refer Note 10 and 11)	12,589	14,246


The accompanying notes form an integral part of the financial statements.

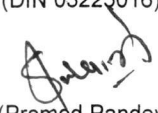
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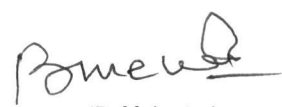
For and on behalf of the Board of Directors

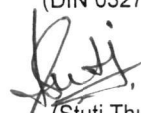
  
(M.S. Ladha)  
Partner  
FRN : 007578N, M.No. : 088221




  
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Company Secretary

Place : Faridabad  
Camp: Shimla  
Date : 11-05-2019

  
(BHUVAN CHATURVEDI)  
(CHIEF EXECUTIVE  
OFFICER)

**SWADESHI POLYTEX LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2019**

**A. EQUITY SHARE CAPITAL**

(Rs. in '000)

Particulars	Amount
Balance as at 1st April, 2017	39,000
Changes in equity share capital during the year 2017-18	-
Balance as at 31st March, 2018	39,000
Changes in equity share capital during the year 2018-19	-
Balance as at 31st March, 2019	39,000

**B. OTHER EQUITY**

**AS ON 31st MARCH, 2018**

(Rs. in '000)

Particulars	Reserve and Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2017	167,070	10,975	(735,448)	(557,403)
Total Comprehensive Income for the year	-	-	(3,376)	(3,376)
Balance as at 31st March 2018	167,070	10,975	(738,824)	(560,779)


**AS ON 31st MARCH, 2019**

(Rs. in '000)

Particulars	Reserve and Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	167,070	10,975	(738,824)	(560,779)
Total Comprehensive Income for the year	-	-	79,884	79,884
Balance as at 31st March 2019	167,070	10,975	(658,940)	(480,895)

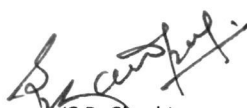
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For SPMR & Associates  
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(M.S. Laha)  
Partner  
FRN : 007578N, M.No. : 088221




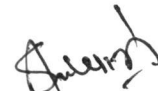
For and on behalf of the Board of Directors

  
(S.B. Singh)  
Director  
(DIN 03225016)

  
(B. Mehrotra)  
Director  
(DIN 03279399)

Place : Faridabad  
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Date : 11-05-2019

  
(BHUVAN CHATURVEDI)  
CHIEF EXECUTIVE  
OFFICER

  
(Promod Pandey)  
Chief Financial Officer

  
(Stuti Thukral)  
Company Secretary

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

1 COMPANY OVERVIEW

Swadeshi polytex Limited is a listed company engaged in carrying the business of transacting in, owning, purchasing, selling, leasing, sub-leasing, letting, sub-letting, renting and developing and other related activity of any type of real estate including land, plot, buildings, factories, warehouses, infrastructures whether residential, commercial, agricultural, industrial, rural, urban or otherwise that may belong to company or to any other person or persons of whatever nature and to deal in real estate, land, immovable properties and other related assets of any description or nature as owners, syndicators, developers, advisors, service providers, brokers, agents and any other capacity and to do all such activities related to such business having its registered office at A-1, Sector - 17, New Kavi Nagar Industrial Area, Ghaziabad (U.P).

The financial statements were approved for issue by the Board of Directors in their meeting held on 11th May, 2019.

2 BASIS OF PREPARATION AND PRESENTATION

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (the Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the generally accepted accounting principles in India including accounting standards read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 (hereinafter referred as 'Indian GAAP' or 'Previous GAAP').

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principals generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

3 USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make adjustments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expense and related disclosure concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and underlying assumptions are reviewed on an ongoing basis and revised if management became aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements. Application of accounting policies that require critical accounting estimates involving complex and critical judgment is disclosed in notes to accounts.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, Plant & Equipment and Depreciation

- (a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.
- (b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.
- (c) Depreciation on Building, Plant & Machinery and Computer is being provided on Straight Line Method.

Property, plant and equipment	Useful Life of Asset ( In year) as per Schedule II	Useful Life of Asset ( In year) as adopted
Building	60	60
Plant & Machinery	15	5 to 10
Furniture & Fixtures	10	5
Computer	3	3

- (d) Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (e) Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other Expenses' as the case may be.



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## SWADESHI POLYTEX LIMITED

- (f) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### 4.2 Impairment of Assets

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs . If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

### 4.3 Revenue Recognition

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers', which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. Revenue excludes Goods and Service Tax (GST) as applicable.

- (a) Revenue from transfer of rights in leasehold land alongwith penalty is recognized when the company receives full payment from buyer and there is relinquishment of right in favor of the buyer by the company.
- (b) Interest on receivables is accounted only when no significant uncertainty as to measurability or collectability exists. Other interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

### 4.4 Inventories

Valuation of stocks is done as mentioned below:

Leasehold Plot Rights	At lower of book value or net realizable value
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- (a) Cost of Leasehold Land is determined after including the proportionate expenditure incurred on the development thereof.

### 4.5 Taxation

#### (a) Current Tax

Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

#### (b) Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.



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**4.6 Refunds of Taxes and Duties**

Refund claims arising out of monies paid under protest or under appeals and charged to Revenue are accounted for at the time of receipt of orders or actual refunds whichever is earlier.

**4.7 Provisions, Contingent Liabilities and Contingent Assets**

Disclosure of contingencies as required by the Indian accounting standard is furnished in the Notes to accounts.

- (a) Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- (b) Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the financial statement. A contingent asset is disclosed where an inflow of economic benefits is probable.

**4.8 Financial Instruments**

**A Financial Assets**

**(a) Initial recognition and measurement**

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

**(b) Subsequent Measurement : Non-derivative financial instruments**

**(i) Financial assets carried at amortized cost (AC)**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(c) Investment in subsidiaries/associates/joint ventures**

Investment in subsidiaries, if any, is carried at cost in the separate financial statements.

**(d) Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

**(e) Reclassification of financial assets**

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

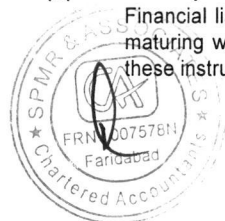
**B Financial liabilities**

**(a) Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings etc. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

**(b) Subsequent Measurement : Non-derivative financial instruments**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



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(c) **Offsetting of Financial Liabilities**

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

**C Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**4.9 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**4.10 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

**4.11 Cash Flow Statement**

Cash flows are reported using indirect method as per Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

**4.12 Earning Per Share**

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**4.13 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating Officer has decided that the company has only one segment i.e. real estate.

**4.14 Fair Value Measurement**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

**4.15 Standards issued but not yet effective**

On March 30, 2019, the Ministry of Corporate Affairs notified the Ind AS 116 to be effective for annual period beginning on or after April 01, 2019.

The notification sets out the principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.



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**SWADESHI POLYTEX LIMITED**

**5 Property, Plant and Equipment** (Rs. in '000)

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2019 are as follows:

Particulars	Building - Pushpak Bhawan	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2018	93	617	2,438	314	3,462
Additions	-	-	-	-	-
Deletions	-	-	4	-	4
<b>Gross carrying value as at March 31, 2019</b>	<b>93</b>	<b>617</b>	<b>2,434</b>	<b>314</b>	<b>3,458</b>
Accumulated depreciation as at April 1, 2018	14	348	2,320	289	2,971
Depreciation for the year	2	74	-	5	81
Accumulated depreciation on deletions	-	-	4	-	4
<b>Accumulated depreciation as at March 31, 2019</b>	<b>16</b>	<b>422</b>	<b>2,316</b>	<b>294</b>	<b>3,048</b>
<b>Net Carrying value as at March 31, 2019</b>	<b>77</b>	<b>195</b>	<b>118</b>	<b>20</b>	<b>410</b>

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2018 are as follows:

Particulars	Building - Pushpak Bhawan	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2017	93	617	2,438	298	3,446
Additions	-	-	-	16	16
Deletions	-	-	-	-	-
<b>Gross carrying value as at March 31, 2018</b>	<b>93</b>	<b>617</b>	<b>2,438</b>	<b>314</b>	<b>3,462</b>
Accumulated depreciation as at April 1, 2017	12	273	2,320	274	2,879
Depreciation for the year	2	75	-	15	92
Accumulated depreciation on deletions	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2018</b>	<b>14</b>	<b>348</b>	<b>2,320</b>	<b>289</b>	<b>2,971</b>
<b>Net Carrying value as at March 31, 2018</b>	<b>79</b>	<b>269</b>	<b>118</b>	<b>25</b>	<b>491</b>

**6 Other bank balances-Non-Current** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank deposits with original maturity more than 12 months	-	2,000
<b>Total</b>	<b>-</b>	<b>2,000</b>

**7 Deferred Tax Assets (Net)** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Assets due to</b>		
Unabsorbed Depreciation & Carried forward losses	34,447	37,762
	<b>34,447</b>	<b>37,762</b>
<b>Deferred Tax Liability due to</b>		
Depreciation	60	(64)
	<b>60</b>	<b>(64)</b>
<b>MAT Credit</b>	<b>8,810</b>	<b>-</b>
<b>Deferred Tax Assets (Net)</b>	<b>43,197</b>	<b>37,826</b>

**7.1 The movement on the deferred tax account is as follows:** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
At the start of the year	37,826	42,381
Credit/(Charge) during the year	(3,439)	(4,555)
MAT Credit	8,810	-
<b>Total Credit/(Charge) to Statement of Profit and Loss</b>	<b>5,371</b>	<b>(4,555)</b>
At the end of the year	43,197	37,826



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**SWADESHI POLYTEX LIMITED**

**7.2 Amounts recognised in Profit or Loss** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current tax - Continued Operations</b>		
Current year	16,246	(95)
Deferred Tax	(5,371)	4,555
	<b>10,875</b>	<b>4,460</b>
<b>Current tax - Discontinued Operations</b>		
Current year	3,894	375
	<b>3,894</b>	<b>375</b>
<b>Total</b>	<b>14,769</b>	<b>4,835</b>

**7.3 Reconciliation of effective tax rate:** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Profit before tax	94,653	1,459
At India statutory income tax rate (at applicable tax rates)	20.59%	20.39%
Income tax amount	19,486	297
Other Temporary difference	(5,371)	4,555
Other Permanent Differences	673	(17)
Tax effect of items deductible for tax	(19)	-
<b>Effective Income tax expense</b>	<b>14,769</b>	<b>4,835</b>

**8 Other Non-Current Assets** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>		
Income tax receivable (net of provisions)	-	3,750
Security deposit	15	15
Statutory dues deposited under Protest (Refer Note 30.2)	1,325	1,325
<b>Total</b>	<b>1,340</b>	<b>5,090</b>

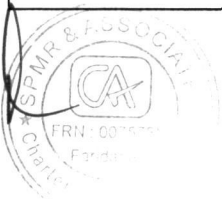
**9 Inventories** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Leasehold Plot Rights*	65,341	68,212
<b>Total</b>	<b>65,341</b>	<b>68,212</b>

\* Refer Note 4.4

**10 Cash & Cash Equivalents** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	4	14
Balances with schedule banks:		
In Current Accounts	2,350	1,084
In Fixed Deposit Accounts having maturity less than 3 months	10,235	7,239
<b>Total</b>	<b>12,589</b>	<b>8,337</b>



**SWADESHI POLYTEX LIMITED**

**11 Other bank balances-Current (Rs. in '000)**

Particulars	(Rs. in '000)	
	As at March 31, 2019	As at March 31, 2018
Bank deposits with original maturity more than 3 months but less than 12 months	-	5,909
<b>Total</b>	<b>-</b>	<b>5,909</b>

**12 Loans (Rs. in '000)**

Particulars	(Rs. in '000)	
	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>		
Loan due by an officer of the Company*	5,121	5,121
<b>Total</b>	<b>5,121</b>	<b>5,121</b>

\*Refer Note 38.3.1 for details of Loan.

**13 Other financial assets-Current (Rs. in '000)**

Particulars	(Rs. in '000)	
	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>		
Interest accrued	77	110
<b>Total</b>	<b>77</b>	<b>110</b>

**14 Other Current Assets (Rs. in '000)**

Particulars	(Rs. in '000)	
	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>		
<b>Others</b>		
Recoverable from a Party	4,568	-
Sales tax refund receivable	394	394
Prepaid Expenses	38	23
<b>Total</b>	<b>5,000</b>	<b>417</b>

**15 Equity Share Capital (Rs. in '000)**

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Amount	Number	Amount
<b>Authorized</b>				
Equity Share of Rs. 10/- each	22500000	225,000	22500000	225,000
9.5% Redeemable cumulative Preference Shares of Rs100/-each	250000	25,000	250000	25,000
		<b>250,000</b>		<b>250,000</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of Rs 10/- each fully paid up	3900000	39,000	3900000	39,000
		<b>39,000</b>		<b>39,000</b>

**15.1 Reconciliation of share capital:**

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Amount	Number	Amount
Equity Shares at the beginning of the year	3900000	39,000	3900000	39,000
Add / (Less): Shares issued / (forfeited / buyback) during the year	-	-	-	-
Equity Shares at the end of the year	<b>3900000</b>	<b>39,000</b>	<b>3900000</b>	<b>39,000</b>

**15.2 The rights, preferences and restrictions attached to each class of shares:**

The company has issued only one class of Equity Shares having the par value of Rs 10/- per share. Each shareholder is entitled to one vote per share.



**SWADESHI POLYTEX LIMITED**

**15.3 The details of shareholders holding more than 5% shares:**

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
National Textile Corporation Ltd	1311000	33.61 %	1311000	33.61%
MKJ Enterprises Ltd	487525	12.50 %	487525	12.50%
Selecto Pac Private Ltd.	343250	8.80 %	343250	8.80%
Paharpur Cooling Towers Ltd.	528153	13.54 %	528153	13.54%
Doypack Systems Pvt Ltd.	277500	7.12 %	277500	7.12%

**16 Other Equity**

(Rs. in '000)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>General Reserve</b>		
Opening Balance	167,070	167,070
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	<b>167,070</b>	<b>167,070</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	10,975	10,975
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	<b>10,975</b>	<b>10,975</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	(738,824)	(735,448)
Add: Profit / (Loss) for the year	79,884	(3,376)
	<b>(658,940)</b>	<b>(738,824)</b>
	<b>(480,895)</b>	<b>(560,779)</b>

**17 Other financial liabilities-Non current**

(Rs. in '000)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Other Payable*	24,983	24,983
<b>Total</b>	<b>24,983</b>	<b>24,983</b>

\*Refer Note No. 34

**18 Borrowings-Current**

(Rs. in '000)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Secured*</b>		
Loans from Related Parties	145,108	236,321
<b>Unsecured**</b>		
Loans from Related Parties	17,915	17,915
<b>Total</b>	<b>163,023</b>	<b>254,236</b>

\*Company has taken secured loan from Paharpur Cooling Towers Ltd on December 01, 2007 initially for a period of three years which was extended to be repayable by December 31, 2019 at an Interest of 12.00% p.a. payable quarterly. The said loan is secured by way of negative lien on the land situated at Kavi Nagar, Ghaziabad.

Details of the default amount is as follow :

Principal Nil (Previous Year Rs. Nil), Interest Rs. Nil (Previous Year 79,897/-)

\*\*Company has taken interest free unsecured loan from National Textile Corporation Ltd which is repayable on demand.



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**SWADESHI POLYTEX LIMITED**

19 **Trade Payables** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Total Outstanding dues of micro and small enterprises	-	-
Total Outstanding dues of other than micro and small enterprises	9,372	7,449
<b>Total</b>	<b>9,372</b>	<b>7,449</b>

Refer Note 32

20 **Other Financial Liabilities-Current** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued on Borrowings	4,599	80,458
<b>Total</b>	<b>4,599</b>	<b>80,458</b>

21 **Other Current liabilities** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Retention Money Payable	540	540
Amount received for customers	370,886	286,529
Statutory dues Payable	705	1,097
<b>Total</b>	<b>372,131</b>	<b>288,166</b>

22 **Provisions** (Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Others</b>		
Provision for Income Tax (Net of Advance tax / TDS)	862	-
<b>Total</b>	<b>862</b>	<b>-</b>

23 **Revenue from Operations** (Rs. in '000)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Revenue from sale of leasehold plot rights	131,571	31,948
	<b>131,571</b>	<b>31,948</b>

24 **Other Income** (Rs. in '000)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Interest Income	1,210	27,729
	<b>1,210</b>	<b>27,729</b>

25 **Changes in inventories** (Rs. in '000)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
<b>Opening Stock</b>		
Leasehold Plot Rights	68,212	69,283
	<b>68,212</b>	<b>69,283</b>
<b>Closing Stock</b>		
Leasehold Plot Rights	65,341	68,212
	<b>65,341</b>	<b>68,212</b>
<b>(Increase) / Decrease in inventories</b>	<b>2,871</b>	<b>1,071</b>



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**SWADESHI POLYTEX LIMITED**

<b>26 Finance Costs</b>		(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018	
Interest on borrowings (Net)	28,587	36,434	
	<b>28,587</b>	<b>36,434</b>	

<b>27 Other Expenses</b>		(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018	
Legal & Professional Expenses	12,878	12,341	
Conveyance & Travelling Expense	5,365	4,278	
Fees to Stock Exchange	295	288	
Security Expenses	-	865	
Power & Fuel	415	359	
Repair Others	64	79	
Business Promotion	949	1,272	
Rates & Taxes	915	409	
Directors' Sitting Fees	890	840	
Payment To Auditors (Refer Note 27.1)	437	313	
Communication Expenses	129	273	
Advertisement	20	32	
Printing & Stationary	325	184	
Other Expenses	652	612	
	<b>23,334</b>	<b>22,145</b>	

<b>27.1 Payment to Auditors</b>		(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018	
Audit Fee	295	195	
Tax Audit Fee	118	89	
Reimbursement of Expenses	24	29	
	<b>437</b>	<b>313</b>	

<b>28 Profit / (Loss) from discontinued operations</b>		(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018	
Income from discontinued Operations*	19,135	2,558	
Less: Expenses related to discontinued Operations**	222	537	
	<b>18,913</b>	<b>2,021</b>	

\*Income from discontinued operations includes recovery of earlier year bad debts as of March, 2019 Rs. 4,568 (March, 2018 : NIL) and refunds received from Excise & Sales Tax Authorities as of March, 2019 Rs. 14,567 (March, 2018: Rs 2,558) .

\*\*Expenses related to discontinued operations represents the professional fee incurred in connection with Income from discontinued Operations.

<b>29 Earning per Share - Continued Business</b>			
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018	
Profit / (Loss) attributable to Equity Shareholders	64,865	(5,022)	
Weighted average number of Equity Shares of Rs. 10/- Each (No. of Shares)	3,900,000	3,900,000	
Earning per Shares - Basic & Diluted (In Rs.)	16.63	(1.29)	

<b>29.1 Earning per Share - Discontinued Business</b>			
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018	
Profit / (Loss) attributable to Equity Shareholders	15,019	1,646	
Weighted average number of Equity Shares of Rs. 10/- Each (No. of Shares)	3,900,000	3,900,000	
Earning per Shares - Basic & Diluted (In Rs.)	3.85	0.42	



**SWADESHI POLYTEX LIMITED**

**30 Discontinuing Operations**

In view of the Economic/Financial non-viability and on-going labor problems etc., the Company had discontinued its operations of manufacturing of Polyester Fibers and Chips in 1998. In previous years, company had entered into a sale agreement for disposal of its entire Plant & Machinery and Building related to the discontinued operations and sold the entire part thereof.

30.1 The carrying amount of total assets and liabilities to be disposed off at the year end are as follows. Comparative information for the discontinuing operations is included in accordance with Ind AS-105, Discontinuing Operations:

(Rs. in '000)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Total Assets		
<b>Non-current asset</b>		
Statutory dues deposited under Protest (Refer Note 8)	1,325	1,325
Total Liabilities	-	-
<b>Net Assets</b>	-	-

**31 Contingent Liabilities & Commitments (To the extent not provided for)**

Claims against the Company not acknowledged as debts including excise, sales tax, Income Tax, Labour Disputes, Legal and other Disputes:

(Rs. in '000)

Particulars	Year Ended	Year Ended
	31-03-2019	31-03-2018
(a) PF Cases pending at various forums	5,895	5,895
(b) Labor Matters relating settlement pending at various forums	5,025	4,890
(c) Sales Tax cases under litigation	-	1,574
(d) Custom Matters	1,786	1,786
(e) Other Matters	6,046	5,507

Note: Interest and penalty, if any, is not computable at this point of time hence not considered in the above statement of contingent liability.

32 Based on the confirmations from the parties, who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), received so far with the company, no balance is due to Micro and Small Enterprises as defined under the MSMED Act, 2006 as at 31st March 2019 & 31st March 2018. Hence no further details as required by Notification dated 04-09-2015 issued by the Ministry of Corporate Affairs are applicable.

33 Balances appearing for Trade Payables, and loans & borrowings are subject to confirmation, reconciliation and adjustments, if any.

34 Other payable, Note 17, includes alleged dues being contested before the Honorable High Court at Rs. 22,584/- (out of total Rs. 24,983/-). Hence it has not been fair valued.

35 Company has started developing the Plots as per the approved plan of UPSIDC and accordingly has incurred an expenditure of Rs. 2,168/- (Previous year Rs 497/-), is allocated proportionately on the saleable area and unallocated portion made a part of stock in Trade and balance was charged to PVPL, giving affect to fourth addendum.

36 During the year, the Company has entered into Addendum to the Memorandum of Understanding between the Company, Pranjali Vyapar Private Limited and secured lender Paharpur Cooling Towers Limited, revising and extending the terms of One Time Settlement with respect to levy of penalty on unsold inventory recoverable on actual sales and recovering the reasonable maintenance and other expenses incurred for unsold land. Accordingly, accounting impact of the same has been considered in the books.

37 In the opinion of the Board and to the best of their knowledge and belief the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and provision for all known liabilities has been made.



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**SWADESHI POLYTEX LIMITED**

**38 Related Party Disclosure**

**38.1 List of Related Parties**

**38.1.1 Key Management Personnel of Reporting Entity:**

Name	Designation
Mr. Bhuwan Chaturvedi	Chief Executive Officer
Mr. Promod Pandey	Chief Financial Officer
Ms. Sunita Gujjar from 11 Feb, 2016 to 20 Nov, 2017	Company Secretary
Ms. Lovely Kumari from 20 Nov, 2017 to 15 March, 18	Company Secretary
Ms. Stuti Thukral	Company Secretary
Mr. Hartaj Sewa Singh	Director
Mr. Gaurav Swarup	Director
Mr. Y. J. Dastoor	Director
Mr. N.K. Gupta	Director
Mr. Naveen Aggarwal	Director
Mr. S.S. Madan	Director
Mr. Shamsheer Bahadur Singh	Director
Mr. Bipin Behari Mehrotra	Director
Mr. Rakesh Kumar Sinha	Director
Mr. Sukumar Arunachalam	Director
Ms. Purni Marwaha	Director
Mr. Anil Gupta	Director

**38.1.2 Associates of Reporting Entity:**

National Textile Corporation Ltd. (Holding more than 20% shareholding in the company)  
Paharpur Cooling Towers Ltd. (Holding indirectly more than 20% shareholding in the co.)

**38.2 Following transactions were carried out during the year ended March 31, 2019 with related parties in the ordinary course of business:**

**38.2.1 Transactions with Key Management Personnel:**

(Rs. in '000)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Remuneration paid to Ms. Sunita Gujjar	-	154
Remuneration paid to Ms. Lovely Kumari	-	47
Remuneration paid to Ms. Stuti Thukral	210	-
Remuneration paid to Mr. Pramod Pandey	600	600
Remuneration paid to Mr. Bhuwan Chaturvedi*	-	-
Interest charged from Mr. Bhuwan Chaturvedi	500	500
Sitting Fees paid to Mr. Naveen Aggarwal	275	250
Sitting Fees paid to Mr. N.K. Gupta	240	160
Sitting Fees paid to Mr. S.S. Madan	170	160
Sitting Fees paid to Mr. Y.J. Dastoor	50	140
Retainership Charges Paid to Mr. Bipin Behari Mehrotra	840	280
Sitting Fees paid to Ms. Purni Marwaha	155	130

\* Considered Nil as being reimbursed to PCTL as deputation charges.

**38.2.2 Transactions with Associates:**

(Rs. in '000)

Nature of Transactions	Year Ended 31-03-2019	Year Ended 31-03-2018
<b>Transactions with Paharpur Cooling Towers Ltd.</b>		
Reimbursement for various expenses	5,312	4,189
Interest Paid	28,587	36,434
Secured Loan repaid	192,800	10,000

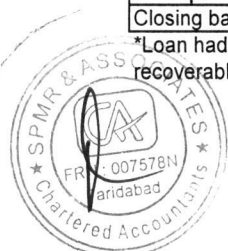
**38.3 Following were the balance outstanding at March 31, 2019 with related parties:**

**38.3.1 Balance outstanding from Key Management Personnel:**

(Rs. in '000)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
<b>In respect of Mr. Bhuwan Chaturvedi</b>		
Closing balance of loan given*	5,121	5,121

\*Loan had been given on interest @ 10% p.a. which is recoverable on quarterly basis and principal amount is recoverable on demand



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**SWADESHI POLYTEX LIMITED**

**38.3.2 Balance outstanding with Associates: (Rs. in '000)**

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
<b>In respect of National Textile Corporation Ltd.</b>		
Unsecured Loan taken and outstanding	17,915	17,915
<b>In respect of Paharpur Cooling Towers Ltd.</b>		
Outstanding Balance of Secured Loan taken	145,108	236,321
Outstanding Balance of Interest Accrued & Due	4,331	79,897
Outstanding Balance of Interest Accrued & Not Due	268	561

39 Disclosure under Ind AS 108 – ‘Operating Segments’ is not given as, in the opinion of the Chief Operating Decision Maker, the entire business activity falls under one segment, viz ,primarily engaged as real estates. The Company conducts its business only in one Geographical Segment, viz., India.

40 The figures reported in financial statements have been rounded off to the nearest thousand of rupees.

41 Previous year figures have been regrouped, rearranged or reclassified where ever necessary.

**42 Information regarding Goods Traded**

**42.1 Description : Leasehold Plot Rights (Rs. in '000)**

Particulars	Year Ended 31-03-2019		Year Ended 31-03-2018	
	Qty (in Sqm)	Amount	Qty (in Sqm)	Amount
Opening Balance*	173,912	68,212	177,686	69,283
Purchase	-	-	-	-
Sales	13,742	131,571	3,774	31,948
Closing Balance*	160,170	65,341	173,912	68,212

\* Excluding utility area of 13,577.53 Sqm.

43 **Expected Credit Loss**  
For recognition of impairment loss on trade receivable and other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

**44 Risk Management Framework**

The Company's business is subject to various risk and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, market risk, interest rate risk, and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

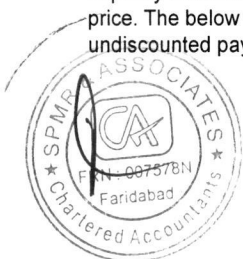
**44.1 Financial Risk**

The Company's principal financial liabilities comprise of trade payables, borrowings and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash, fixed deposits, interest accrued on fixed deposits and loan advanced that derive directly from its operations.

The Company is exposed to primarily credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**44.2 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 below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:



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**44.3 Maturity profile of financial Liabilities :**

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particular	(Rs. in '000)			
	Less than 1 Year	1 to 5 Years	More than 5 years	Total
<b>March 31, 2019</b>				
Borrowings	163,023	-	-	163,023
Trade payables	9,372	-	-	9,372
Other financial liabilities	4,599	24,983	-	29,582
	<b>176,994</b>	<b>24,983</b>	-	<b>201,977</b>
<b>March 31, 2018</b>				
Borrowings	254,236	-	-	254,236
Trade payables	7,449	-	-	7,449
Other financial liabilities	80,458	24,983	-	105,441
	<b>342,143</b>	<b>24,983</b>	-	<b>367,126</b>

**44.4 Market Risk**

The Management does not envisage any major risks associated with pricing of its goods, since the same has already been fixed.

**44.5 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in prevailing market interest rates. The Company's exposure to the risk due to changes in interest rates relates primarily to the Company's short-term borrowings. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost. During March 31, 2019 borrowings at fixed rate denominated in INR.

Particulars	As At March 31, 2019		As At March 31, 2018	
	Fixed Rate Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings
	Inter Corporate Deposits	145,108	-	236,321
<b>Interest Rate Sensitivities for Floating Rate Borrowings:</b>				
Since there are no borrowings availed by the company on floating rate, therefore there is no requirement for calculating the interest rate sensitivity.				

**44.6 Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

**44.7 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, if any, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

Particular	(Rs. in '000)	
	As at March 31, 2019	As at March 31, 2018
Short term Borrowings	163,023	254,236
<b>Net debts</b>	<b>163,023</b>	<b>254,236</b>
<b>Capital components</b>		
Share capital	39,000	39,000
Reserves and surplus	(480,895)	(560,779)
<b>Total capital</b>	<b>(441,895)</b>	<b>(521,779)</b>
<b>Capital and net debt</b>	<b>(278,872)</b>	<b>(267,543)</b>
<b>Gearing ratio (%)</b>	<b>-58%</b>	<b>-95%</b>



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In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period when they availed facilities from bank.

**45 Fair value measurement**

**45.1 Valuation Principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note below

**45.2 Fair value hierarchy**

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

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

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.


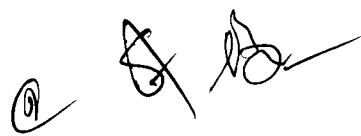

**45.3 Categories of financial instruments and fair value thereof:**

(Rs. in '000)

Particulars	March 31, 2019		March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>A. Financial Assets - Measured at Amortised Cost</b>				
Cash and cash equivalents	12,589	12,589	8,337	8,337
Bank Balance other than cash and cash equivalents	-	-	7,909	7,909
Loans	5,121	5,121	5,121	5,121
Other Financial assets	77	77	110	110
<b>Total</b>	<b>17,787</b>	<b>17,787</b>	<b>21,477</b>	<b>21,477</b>
<b>B. Financial Liabilities- Measured at Amortised Cost</b>				
Trade Payables	9,372	9,372	7,449	7,449
Borrowings	163,023	163,023	254,236	254,236
Other financial liabilities	29,582	29,582	105,441	105,441
<b>Total</b>	<b>201,977</b>	<b>201,977</b>	<b>367,126</b>	<b>367,126</b>

The management assessed that cash and cash equivalents and bank balances, other financial assets, trade payables, borrowings and other current liabilities is considered to be equal to the carrying amounts of these items largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.



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45.4 The Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2019

(Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>A. Financial Assets - Measured at Amortised Cost</b>				
Cash and cash equivalents	12,589	-	-	12,589
Bank Balance other than cash and cash equivalents	-	-	-	-
Loans	5,121	-	-	5,121
Other Financial assets	77	-	-	77
<b>Total</b>	<b>17,787</b>	-	-	<b>17,787</b>
<b>B. Financial Liabilities- Measured at Amortised Cost</b>				
Trade Payables	9,372	-	-	9,372
Borrowings	163,023	-	-	163,023
Other financial liabilities	29,582	-	-	29,582
<b>Total</b>	<b>201,977</b>	-	-	<b>201,977</b>

45.5 The Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2018

(Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>A. Financial Assets - Measured at Amortised Cost</b>				
Cash and cash equivalents	8,337	-	-	8,337
Bank Balance other than cash and cash equivalents	7,909	-	-	7,909
Loans	5,121	-	-	5,121
Other Financial assets	110	-	-	110
<b>Total</b>	<b>21,477</b>	-	-	<b>21,477</b>
<b>B. Financial Liabilities- Measured at Amortised Cost</b>				
Trade Payables	7,449	-	-	7,449
Borrowings	254,236	-	-	254,236
Other financial liabilities	105,441	-	-	105,441
<b>Total</b>	<b>367,126</b>	-	-	<b>367,126</b>



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