



AGARWAL DESAI & SHAH

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To,
The Members of,
India Denim Limited

Report on the Financial Statements

We have audited the accompanying financial statements of India Denim Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, 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 Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and 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 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 financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

The company has adopted Indian Accounting Standards (Ind AS) prescribed u/s 133 of The Companies Act, 2013, read with the relevant rules issued thereunder w.e.f. 1st April 2017. The date of transition to Ind AS is April 01, 2016 and accordingly, these audited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and other accounting principles generally accepted in India. The impact of transition has been accounted for in the opening reserves and the comparative period figures have been reinstated accordingly.

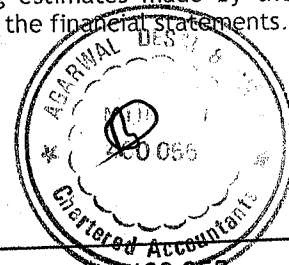
Auditors' Responsibility

Our responsibility is to express an opinion on these 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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 financial statements.

Opinion

The attached Balance Sheet as at 31st March 2018 is drawn on the basis of Principle of 'Going Concern'. We opine as follows in this connection:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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,

1. In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2018 and
2. In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date;
3. iii) In the case of Cash Flow for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, except Emphasis of matters paragraph, the aforesaid 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, 2018; and its Loss and cash flow for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the notes to the Financial Statements for which our opinion is not qualified:

- a) we draw attention that company has not follow the Accounting Standard 22 "Accounting for Tax on Income" The Company maintain the deferred tax asset of Rs. 2,03,19,855/-. Since the company incur losses and uncertainty of future profit, no deferred tax asset should be maintained
- b) we did not provide the balance confirmation from outside parties; hence we are unable to get sufficient and appropriate audit evidence to provide the assurance on the balances

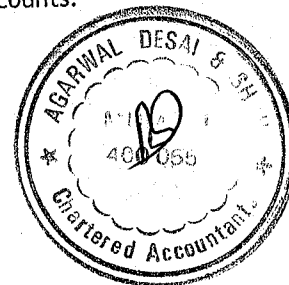
Our Report is not qualified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (hereinafter referred to as the "Order"), and on the basis of such checks of the books of accounts and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

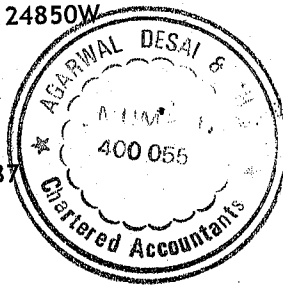
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.



- (d) In our opinion, except for matters expressed in Paragraph "Emphasis of Matters", the aforesaid 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, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) With reference 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 explanation given to us:
- The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - There is no amount outstanding which needed to be transfer to Investor education and protection fund.

For Agarwal Desai & Shah
Chartered Accountants
Firm Registration No. 124850W

Bharat
CA Bharat Kumar
Partner
Membership No. 175787



Place: Mumbai
Date: 30th May 2018

ANNEXURE "A" REFERRED TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph under the heading of 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended 31st March 2018)

- (i)
 - a. In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As per the information and explanation given to us, the fixed assets have been physically verified by the management according to a programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies with respect to book records were reported on such verification by the management.
 - c. The title deeds of immovable properties as disclosed in Note - 03 on Property Plant & Equipment to the financial statements, are held in the name of the Company.
- (ii)
 - a. As explained to us, Physical verification of inventory excluding stock with third party has been conducted by the management at reasonable intervals. In respect of Inventory lying with third party, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - b. The Discrepancies noticed on verification of Inventory as compared to books records were not material and these have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any Unsecured Loan to Companies as covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanation given to us, the company has complied with provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Loans, Investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of section 73 to 76 of the Companies Act, 2013, and the rules framed there under.
- (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 records of the Company and the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, sales tax, Service Tax, Custom Duty, Excise duty, Value Added Tax, Cess and other statutory dues to the extent applicable to it. There are no undisputed statutory dues as referred to above as at 31st March 2017 outstanding for a period of more than six months from the date they become payable.
 - c) 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 or sales tax or service tax or duty of customs or duty of excise or value added tax or cess.

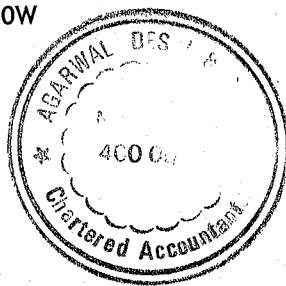


- (viii) Based on our audit procedures and according to the information and explanation given by the management, the company has defaulted in repayment of dues to bank / financial institution. The Company has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised 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 and hence not commented upon.
- (x) Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment of Shares during the year under review. The Company has not made any private placement of shares or fully or partly convertible debentures.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Agarwal Desai & Shah
Chartered Accountants
Firm Registration No. 124850W

Bharat
CA Bharat Kumar
Partner
Membership No. 175787

Place: Mumbai
Date: 30th May 2018



"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of India Denim limited

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 India Denim Limited ("the Company") as of March 31, 2018 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

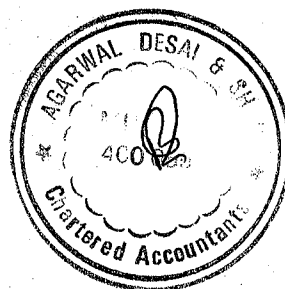
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 were 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 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.





INDIA DENIM LIMITED

**AUDITED BALANCE SHEET
2017-18**

REGD. OFFICE & WORKS : 145/147 VILLAGE WALTHERA, TALUKA - DHOLKA DIST. AHMEDABAD- 387810.
GUJARAT INDIA

INDIA DENIM LIMITED
Balance Sheet as at 31st March, 2018



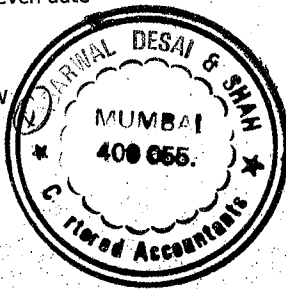
INDIA DENIM LIMITED
Amount in Rs.

Particulars	Note No.	As At 31st March, 2018	As at 31st Mar, 2017	As At 1st April, 2016
		Amount	Amount	Amount
B ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	3	21,60,62,030	23,91,89,056	26,23,91,152
Tangible assets	4	2,03,19,855	2,03,19,855	2,03,19,855
(b) Deferred tax assets (Net)				
(c) Non Current tax assets (net)	5	17,000	17,000	1,00,79,402
(d) Other non-current assets		23,63,98,885	25,95,25,911	29,27,90,409
2 Current assets				
(a) Inventories	6	11,09,70,740	16,04,62,407	17,40,92,370
(b) Financial assets				
i) Trade receivables	7	14,72,50,961	14,84,79,897	14,34,90,910
ii) Cash and cash equivalents	8	27,142	42,033	70,534
iii) Bank Balances other than (ii) above	9	11,71,04,475	12,26,70,936	11,92,79,603
iv) Other Financial Assets		1,72,542	64,123	19,02,049
(c) Current Tax Assets (net)		-	20,320	20,320
(d) Other current assets	10	37,55,25,860	43,17,39,717	43,88,55,786
TOTAL		61,19,24,745	69,12,65,628	73,16,46,195
A EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	11	11,44,59,000	11,44,59,000	11,44,59,000
(b) Other Equity	12	(22,14,14,782)	(13,82,81,859)	(7,89,41,111)
		(10,69,55,782)	(2,38,22,859)	3,55,17,889
2 Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
i- Borrowings	13	38,47,68,105	38,47,68,105	38,17,68,105
		38,47,68,105	38,47,68,105	38,17,68,105
3 Current liabilities				
(a) Financial Liabilities				
i- Borrowings	14	12,17,73,009	20,17,99,141	20,29,78,399
ii - Trade payables	15	2,02,32,257	2,27,14,308	1,50,39,688
iii- Other Financial Liabilities	16	19,19,87,212	10,54,41,449	8,79,91,269
(b) Other current liabilities	17	1,19,944	3,65,483	83,50,845
(c) Provisions		33,41,12,422	33,03,20,381	31,43,60,201
TOTAL		61,19,24,745	69,12,65,628	73,16,46,195
See accompanying notes forming part of the financial statements				

As per our attached report of even date

For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 124850W

CA. Bharat Kumar
Partner
Membership no.175787



For and on behalf of the Board of Directors

R.B. Somany
Managing Director

Prakashchand Dalmia
Chairman

Amrta Khajriwal
C.F.O.

Place : Mumbai
Date : 29-May-2018



INDIA DENIM LIMITED

INDIA DENIM LIMITED

Statement of Profit and Loss for the year ended 31st March 2018

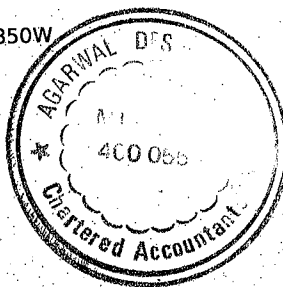
Amount in Rs.

Particulars		Note No.	As At 31st March, 2018 Amount	For the year ended 31st March, 2017 Amount
1	Revenue from operations (gross)	18	30,50,790	12,62,81,420
2	Other income	19	7,55,140	2,08,912
3	Total revenue (1+2)		38,05,930	12,64,90,332
4	Expenses			
	(a) Cost of materials consumed	20.a	3,12,31,647	13,02,49,140
	(b) Changes in inventories of finished goods and work-in-progress	20.b	1,81,15,660	60,32,280
	(c) Employee benefits expense	21	10,63,987	20,94,850
	(d) Finance costs	22	87,18,698	1,59,89,925
	(e) Depreciation and amortisation expense	3	2,31,27,026	2,32,02,096
	(f) Other expenses	23	50,07,619	82,57,641
	Total expenses		8,72,64,638	18,58,25,932
5	Profit / (Loss) before Tax		(8,34,58,708)	(5,93,35,600)
6	Tax Exp.			
	(a) Current tax expense for current year		0	0
	(b) Deferred tax Asser (Liability)		(3,25,785)	5,148
	(c) Earlier Year Tax			
7	Profit / (Loss) for the period		(8,31,32,923)	(5,93,40,748)
8	Other Comprehensive Income Item that will not be reclassified to profit or loss			
9	Re-measurment gain/(loss) on defined benefit plans Income Tax effect on above Total other Comprehensive Income / (Loss)		(8,31,32,923)	(5,93,40,748)
10	Total Comprehensive loss for the Year		(8,31,32,923)	(5,93,40,748)
12	Earnings per equity share	24		
	(a) Current tax expense for current year		(7.26)	(5.18)
	(b) Diluted		(7.26)	(5.18)

As per our attached report of even date

For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 124850W

CA. Bharat Kumar
Partner
Membership no.175787



For and on behalf of the Board of Directors

R.B. Somany
R.B. Somany
Managing Director

Prakashchand Dalmia
Prakashchand Dalmia
Chairman

Amitabh Kejriwal
Amitabh Kejriwal
C.F.O.

Place : Mumbai
Date : 29-May-2018



INDIA DENIM LIMITED

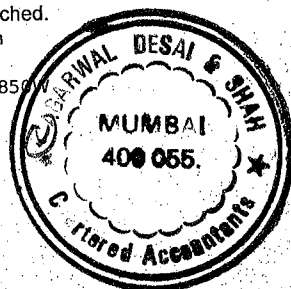
Cash Flow Statement for the year ended 31st March 2018

Amount in Rs.

Particulars	As At 31st March, 2018		For the year ended 31st March, 2017	
	Amount	Amount	Amount	Amount
A. Cash flow from operating activities				
Net Profit (Loss) before extraordinary items and tax		(8,31,32,923)	-	(5,93,40,748)
Adjustments for:				
Depreciation and amortisation	2,31,27,026		2,32,02,096	
Finance costs	87,18,698		1,59,89,925	
Interest income	(7,55,140)		(2,08,912)	
		3,10,90,584		3,89,83,109
Operating profit before working capital changes		(5,20,42,339)		(2,03,57,639)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	4,94,91,667		1,36,29,963	
Trade receivables	12,28,936		(49,88,988)	
Short-term loans and advances	55,66,461		(33,91,333)	
Other current assets	20,320			
Non Current tax assets (net)	(1,08,419)		18,37,926	
		5,61,98,965		70,87,568
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(24,82,051)		76,74,620	
Other current liabilities	8,65,45,763		1,74,50,180	
Short-term provisions	(2,45,539)		(79,85,362)	
		8,38,18,173		1,71,39,438
Cash flow from extraordinary items		-		-
Cash generated from operations		8,79,74,799		38,69,366
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		8,79,74,799		38,69,366
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances		-		-
Sale of Motor Car		-		-
Interest received	7,55,140		2,08,912	
Net cash flow from / (used in) investing activities (B)		7,55,140		2,08,912
C. Cash flow from financing activities				
Proceeds from long-term borrowings (Unsecured Loan)	0		30,00,000	
Repayment of long-term borrowings			(11,79,258)	
Net increase / (decrease) in working capital borrowings	(8,00,26,132)		(1,59,89,925)	
Finance cost	(87,18,698)		1,00,62,402	
Long Term advances & receivables				
Net cash flow from / (used in) financing activities (C)		(8,87,44,830)		(41,06,780)
Net increase / (decrease) in Cash and cash equivalents		(14,890)		(28,501)
Cash and cash equivalents at the beginning of the year		42,033		70,534
Cash and cash equivalents at the end of the year		27,142		42,033

In terms of our report attached.
For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 124850

CA: Bharat Kumar
Partner
Membership no.175787



For and on behalf of the Board of Directors

R.B. Somani
Managing Director

Prakashchand Dalmia
Chairman

Amitabh Kejriwal
C.F.O.

Place: Mumbai
Date: 29-May-2018

INDIA DENIM LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. Equity Share Capital

Particulars	(Amount in Rs.)
Equity Share Capital	
As at 1st April, 2016	11,44,59,000
Changes during 2016 -17	-
As at 31st March, 2017	11,44,59,000
Changes during 2017-18	-
As at 31st March, 2018	11,44,59,000

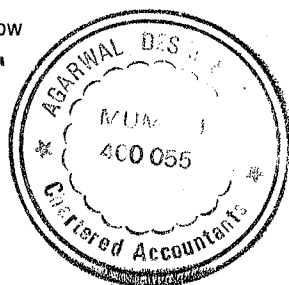
B. Other Equity

Particulars	(Amount in Rs.)		
	Reserve & Surplus - Retained Earnings		
	Securities Premium Reserve	Other Reserve	Retained Earnings
Balance as at 1st April, 2016	3,12,00,000	(105305)	(110035805)
Total Comprehensive Income for the year 2016-17			(5,93,40,748)
Balance as at 31st March, 2017	3,12,00,000	(105305)	(169376553)
Total Comprehensive Income for the year 2017-18			(83132923)
Balance as at 31st March, 2018	3,12,00,000	(105305)	(252509476)

As per our report of even date

For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 124850W

Bharat
CA. Bharat Kumar
Partner
Membership no.175787



For and on behalf of the Board of Directors

R.B. Somany
R.B. Somany
Managing Director

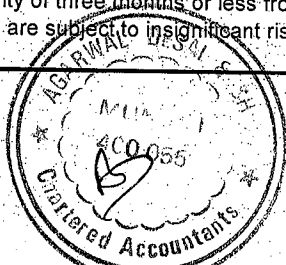
Prakashchand Dalmia
Prakashchand Dalmia
Chairman
Amitabh Kejriwal
Amitabh Kejriwal
C.F.O.



NOTE 1,2 - Notes to the Financial Statements and significant accounting policies for the year ended 31st March, 2018

Notes forming part of the financial statements

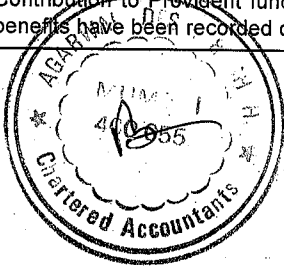
Note	Particulars
1 Corporate information	India Denim Ltd is a public company (Shares not listed) domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the manufacturing of cotton yarn & Trading of Fabrics. The company caters to both domestic & international markets. The company is having its registered office located at Village: Walthera, Dholka - Bagodara Highway, Tal. Dholka Dist. Ahmedabad. The company has installed spinning unit with installed capacity of 17136 spindles (Ring Spinning) and 576 Rotors (Open end Spinning) at plant.
2 Significant accounting policies :	
2.01 Basis of accounting and preparation of financial statements	The financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS). For all periods up to year ended 31st March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2018 are the first financial statement, the Company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost. The financial statements are presented in Indian Rupees (), which is the Company's functional and presentation currency and all values are rounded to the nearest crore with two decimal, except when otherwise indicated.
2.02 Use of estimates	The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.
2.03 Property, Plant and Equipment:	Property, plant and equipment are carried at cost of acquisition or construction, net of Cenvat/Value added tax less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment which are added during the year, is provided on pro-rata basis succeeding to the month of addition.
2.04 Inventories	Inventories are valued as under 1) Raw Material - At cost (on FIFO basis). 2) Process stock - At the lower of cost (on FIFO basis) and the net realisable value. 3) Finished Goods - At the lower of cost (on FIFO basis) and the net realisable value. 4) Waste - At net realisable value. 5) Stores Consumable & Spares - At cost (on FIFO basis). The net realisable value derived after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
2.05 Cash and cash equivalents (for purposes of Cash Flow Statement)	Cash comprises cash on hand and deposits with banks in the terms of Margin Money. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



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Note	Particulars
2.06	Cash flow statement Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
2.07	Depreciation and amortisation Depreciation has been provided on the straight-line method as per Schedule II of Company act 2013 on the basis of systematic allocation of depreciable amount of an asset over its useful life specified in Part C. Depreciation on additions during the year is provided on pro-rata basis with reference to the date of addition and period of use.
2.08	Revenue recognition Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.
2.09	Other income Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
2.10	Foreign currency transactions and translations <u>Initial recognition</u> Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. <u>Measurement of foreign currency monetary items at the Balance Sheet date</u> Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.
2.11	Government subsidies The Company is eligible for 5% Technology Upgradation Fund Scheme, Interest Subsidy. During the year company has received interest subsidy & had also made the provision for interest subsidy receivable for the current financial year
2.12	Investments The Company has not made any investment.
2.13	Employee benefits Contribution to Provident fund, Leave encashment benefits are charged to profit and loss account on accrual basis. Gratuity & other retirement benefits have been recorded on cash basis.





Note	Particulars
2.15	Earnings per share <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.</p>
2.16	Taxes on income <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are</p>
2.17	Impairment of assets <p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
2.18	Provisions and contingencies <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.</p>
2.19	Miscellaneous expenditure <p>Preliminary expenses are amortized.</p>

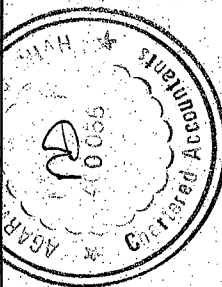


Notes forming part of the financial statements

Note 3

Property, Plant and Equipment
Tangible assets

DESCRIPTION	Freehold Land	Building	Plant & Machineries	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
Cost								
As at 01st April 2016	94,77,079	11,00,60,837	33,02,25,893	13,48,460	2,61,299	12,14,741	6,44,007	45,32,32,316
Additions/Adjustments	-	-	-	-	-	-	-	-
Deductions/Impairments	-	-	-	-	-	-	-	-
As at 31st March 2017	94,77,079	11,00,60,837	33,02,25,893	13,48,460	2,61,299	12,14,741	6,44,007	45,32,32,316
Additions/Adjustments	-	-	-	-	-	-	-	-
Deductions/Impairments	-	-	-	-	-	-	-	-
As at 31st March 2018	94,77,079	11,00,60,837	33,02,25,893	13,48,460	2,61,299	12,14,741	6,44,007	45,32,32,316
Depreciation								
As at 01st April 2016	-	2,56,65,844	16,25,31,387.95	8,85,153.61	1,72,163.00	9,48,607.38	6,38,008.00	19,08,41,164
Depreciation for the year	-	34,44,472	1,93,82,586.00	1,99,112.00	34,781.00	1,36,981.00	4,164.00	2,32,02,096
Deductions/Impairments	-	-	-	-	-	-	-	-
As at 31st March 2017	-	2,91,10,316	18,19,13,974	10,84,266	2,06,944	10,85,588	6,42,172	21,40,43,260
Depreciation for the year	-	34,44,472	1,93,82,586.00	1,96,771.00	34,781.00	68,416.00	-	2,31,27,026
Deductions/Impairments	-	-	-	-	-	-	-	-
As at 31st March 2018	-	3,25,54,788	20,12,96,560	12,81,037	2,41,725	11,54,004	6,42,172	23,71,70,286
Net Book Value								
As at 01st April 2016	-	8,43,94,993	16,76,94,505	4,63,306	89,136	2,66,134	5,999	26,23,91,152
As at 31st March 2017	94,77,079	8,09,50,521	14,83,11,919	2,64,194	54,355	1,29,153	1,835	23,91,89,056
As at 31st March 2018	94,77,079	7,75,06,049	12,89,29,333	67,423	19,574	60,737	1,835	21,60,62,030



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Note 4 Deferred Tax Asset (Net)

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Deferred Tax Asset	5,13,18,970	5,13,18,970	5,13,18,970
Deferred Tax Liability	3,09,99,115	3,09,99,115	3,09,99,115
Total	2,03,19,855	2,03,19,855	2,03,19,855

Note 5 Other non-current assets

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Balances with government authorities :			
Other Balances	17,000	17,000	1,00,79,402
Total	17,000	17,000	1,00,79,402

Note 6 Inventories

(At lower of cost and net realisable value)

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(a) Raw materials	-	3,12,31,647	3,59,58,190
(b) Work-in-progress	-	95,18,520	1,75,40,500
(c) Finished goods	10,44,10,740	11,30,07,880	11,10,18,180
(d) Packing Material, Stores and spares	28,60,000	32,04,360	50,55,000
(e) Wastage & Others	37,00,000	35,00,000	45,20,500
Total	11,09,70,740	16,04,62,407	17,40,92,370

Note 7 Trade receivables

Amount in Rs.

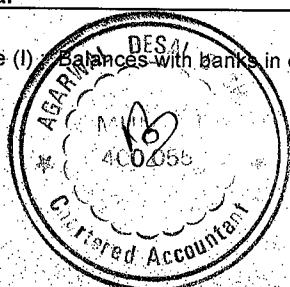
Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
Considered bad	14,72,50,961	14,84,79,897	10,09,10,966
(ii) Other Trade receivables we don't have bifurcation			
Considered good		-	4,25,79,944
Total	14,72,50,961	14,84,79,897	14,34,90,910

Note 8 Cash and Cash equivalents

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(a) Cash on hand	6171	6,621	31,994
(b) Balances with banks			
(i) In current accounts (refer note i below)	20970	35,412	38,540
Total	27,142	42,033	70,534

Note (i) Balances with banks in current accounts with HDFC bank IEX client Ac for power trading



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Note 9 Other Financial Assets

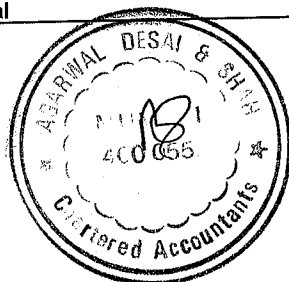
Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(a) Security deposits With Uttar Gujarat Viz Co. Ltd & others	2057045 9832821	20,55,778 98,32,821	64,88,302 -
(b) Loans and advances		-	1,47,990
(c) Prepaid insurance expenses			-
(d) Balances with government authorities			-
(i) VAT Credit receivable		28,08,908	26,83,074
(ii) VAT Refund receivable	9,76,258	59,50,716	59,50,716
(iii) Tuff Subsidy receivable	31,26,455	31,26,455	41,59,220
(iv) GST (Net Receivable)	27,71,267	-	-
(v) Cenvat Receivable		5,55,629	14,21,250
(vi) other cred. From UGVCL			
(e) Other Advances to Suppliers / Receivables	9,83,40,629	9,83,40,629	9,84,29,051
Total	11,71,04,475	12,26,70,936	11,92,79,603

Amount in Rs.

Note 10 Other current assets

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Miscellaneous expenditure (to the extent not w/o)	-	20,320	20,320
Total		20,320	20,320



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Note 11 Equity Share Capital (Share Capital)

Particulars	As at 31st Mar, 2018		As at 31st Mar, 2017		As at 31st March, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rs.10/- each	11500000	11,50,00,000	11500000	11,50,00,000	11500000	11,50,00,000
(b) Issued Equity shares of Rs.10/- each	11445900	11,44,59,000	11445900	11,44,59,000	11445900	11,44,59,000
(c) Subscribed and fully paid up Equity shares of Rs.10/- each	11445900	11,44,59,000	11445900	11,44,59,000	11445900	11,44,59,000
Total	1,14,45,900	11,44,59,000	1,14,45,900	11,44,59,000	1,14,45,900	11,44,59,000

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

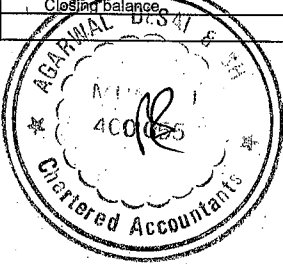
Particulars	Opening Balance	Fresh issue	Reduction	Closing Balance
Equity shares				
Year ended 31 March, 2018				
- Number of shares	1,14,45,900	-	-	1,14,45,900
Amount in (Rs.)	11,44,59,000	-	-	11,44,59,000
Year ended 31 March, 2017				
- Number of shares	1,14,45,900	-	-	1,14,45,900
Amount in (Rs.)	11,44,59,000	-	-	11,44,59,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st Mar, 2018		As at 31st Mar, 2017		As at 31st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares						
1. Konark Synthetic Ltd	7001000	61.17%	7001000	61.17%	7001000	61.17%
2. Kayo Investment & Finance Ltd	1735900	15.17%	1735900	15.17%	1735900	15.17%
3. Trio Meta Chem Pvt Ltd	1065000	9.30%	1065000	9.30%	1065000	9.30%

Note 12 Other Equity

Particulars	Amount in (₹)		
	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
(i) Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance	(16,93,76,554)	(11,00,35,806)	(3,35,79,755)
Add: Total Comprehensive loss for the year	(8,31,32,923)	(5,93,40,748)	(7,64,56,051)
Less: Transferred to General reserve	-	-	-
Closing balance	(25,25,09,477)	(16,93,76,554)	(11,00,35,806)
(ii). Other Reserve			
Opening balance	(1,05,305.00)	-1,05,305.00	-
Add: Fixed asset reserve (Depreciation trf to reserve a/c)	-	0	(1,05,305)
Closing balance	-1,05,305.00	-1,05,305.00	-1,05,305.00
(iii). Security Premium account			
Opening balance	3,12,00,000	3,12,00,000	3,12,00,000
Add: Premium on shares issued during the year	-	-	-
Less: Utilised during the year for:	-	-	-
Closing balance	3,12,00,000	3,12,00,000	3,12,00,000
Total	(22,14,14,782)	(13,82,81,859)	(7,89,41,111)



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Note 13 Borrowings

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(a) Loans and advances from associate concern (Refer Note i)			
Unsecured	38,47,68,105	38,47,68,105	38,17,68,105
Total	38,47,68,105	38,47,68,105	38,17,68,105

(i) Details of term of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Amount in Rs.

Particulars	As at 31st Mar, 2018		As at 31st Mar, 2017		As at 31st March, 2016	
	Secured Amount	Unsecured Amount	Secured Amount	Unsecured Amount	Secured Amount	Unsecured Amount
Loans and advances from associate concern						
a) (Konark Group)		37,55,24,267		37,55,24,267		37,55,24,267
b) Others		92,43,838		92,43,838		62,43,838
Total		38,47,68,105		38,47,68,105		38,17,68,105

Note 14 Borrowings

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Loans repayable on demand			
From banks	12,17,73,009	20,17,99,141	20,29,78,399
Total	12,17,73,009	20,17,99,141	20,29,78,399

Notes:

Details of security for the secured short-term borrowings:

Amount in Rs.

Particulars	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Loans repayable on demand from banks:			
(i). State Bank of India- Cash Credit		7,80,00,000	7,79,99,999
(ii). Indian Bank - Cash Credit	5,81,27,668	6,01,53,800	6,05,40,167
(iii). Bank of Baroda - Cash Credit	6,36,45,341	6,36,45,341	6,44,38,233
Total	12,17,73,009	20,17,99,141	20,29,78,399

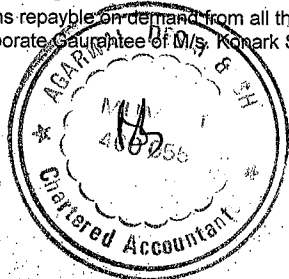
Disclosure :

Nature of Security :

Loans repayable on demand from all the above banks are secured by Hypothecation on the stock of raw materials, semi-finished, finished goods, Stores & Spares, Packing Material, consumables & Book Debts and second charge on Land & Building and Plant & Machinery of the Company.

Nature of guarantee :

Loans repayable on demand from all the above banks are personally guaranteed by Promoters, Mr. Prakash Dalmia & Mr. Amitabh Kejriwal along with Corporate Guarantee of M/s. Konark Synthetics Ltd and M/s. Fillmore Trading and Investment Pvt Limited.





Note 15 Trade payables

Particulars	Amount in Rs.		
	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Trade payables:			
(i). Raw Material	56,28,843	57,36,221	39,95,529
(ii). Expenses & Others	14603414	1,69,78,087	1,10,44,159
Total	2,02,32,257	2,27,14,308	1,50,39,688

Note : The Company has not received information from the vendor's regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 Hence Disclosure require by notification dated 16th November 2007 issued by Minister of Company Affairs have not been given.

Note 16 Other current liabilities :

Particulars	Amount in Rs.		
	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(a) Current maturities of long-term debt (refer note i below)	10,04,14,340	3,90,81,878	4,12,77,602
(b) Other payables			
(i) Statutory Liabilities	20,846	33,675	59,582
(ii) Payable to Employees	12,01,384	13,91,802	11,96,499
(iii) Other current liabilities			
(a) Konark Synthetics Limited - current account	56,96,550	56,96,550	56,45,056
(b) Konark Realtech Pvt Limited - current account	8,46,54,092	5,90,20,178	3,98,12,530
(c) Income tax provision	-	2,17,366	-
Total	19,19,87,212	10,54,41,449	8,79,91,269

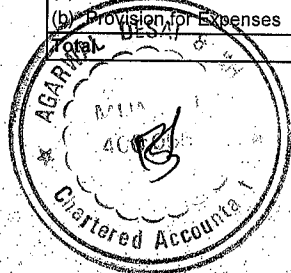
Note (i): Current maturities of long-term debt (Refer Notes (i), in Note 5 - Long-term borrowings for details of security and guarantee):

Particulars	Amount in Rs.		
	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Term loans From Banks :	10,04,14,340	3,90,81,878	4,12,77,602
Total	10,04,14,340	3,90,81,878	4,12,77,602

Particulars	Amount in Rs.		
	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
Term loans from banks:			
(i). State Bank of India (30957207958)	3,83,29,878	3,83,29,878	3,83,29,878
(ii). State Bank of India (SB Indore)	7,52,000	7,52,000	7,52,000
(iii). State Bank of Travancore	-	-	38,863
(iv). Indian Bank	-	-	21,56,861
(i). State Bank of India	61332462	-	-
Total	10,04,14,340	3,90,81,878	4,12,77,602

Note 17 Provisions

Particulars	Amount in Rs.		
	As at 31st Mar, 2018	As at 31st Mar, 2017	As at 31st March, 2016
	Amount	Amount	Amount
(a) Provision for Audit Fees	25000	1,20,000	1,08,000
(b) Provision for Expenses	94944	2,45,483	82,42,845
Total	1,19,944	3,65,483	83,50,845



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Note 18 Revenue from operations(gross)

Amount in Rs.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
(a) Sale of products (refer note i below)	30,50,790	12,62,81,420
(b) Other operating revenues (refer note ii below)	-	-
Total	30,50,790	12,62,81,420

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
Note : (i) Sale of products comprises :		
Manufactured goods		
Cotton Yarn & Fabrics:		
(a) Domestic	30,50,790	12,62,81,420
Total	30,50,790	12,62,81,420
Note - (ii) Other Operating revenues comprise:		
Total	-	-

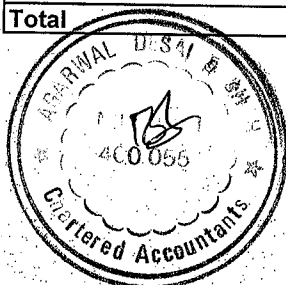
Note 19 Other income

Amount in Rs.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
(a) Interest income - (Refer Note (i) below)	-	2,04,883
(b.) Other non-operating income (net of expenses directly attributable to such income)	7,55,140	4,029
Total	7,55,140	2,08,912

Note (i) : Interest income

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest income comprises:		
(i) Interest from banks/others on:		
deposits		2,04,883
(ii) Other Interest		4,029
Interest on income tax refund	855	
Interest on vat refund	5,99,230	
interest on uttar gujarat deposit	1,55,055	
Total	7,55,140	2,08,912





Note 20.a Cost of materials consumed

Particulars	Amount in Rs.	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
Opening stock of Raw Material	3,12,31,647	3,59,58,190
Add: Purchases of Raw Material & Fabrics	-	12,55,22,597
Less: Closing Stock of Raw Material	-	(3,12,31,647)
Total	3,12,31,647	13,02,49,140

Note 20.b Changes in inventories of finished goods and work-in-progress

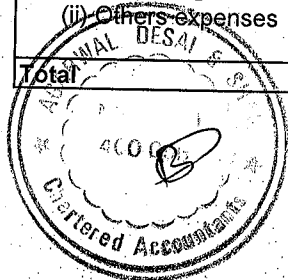
Particulars	Amount in Rs.	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
<u>Inventories at the end of the year:</u>		
Finished goods	10,44,10,740	113007880
Work-in-progress	-	95,18,520
	10,44,10,740	12,25,26,400
<u>Inventories at the beginning of the year:</u>		
Finished goods	11,30,07,880	11,10,18,180
Work-in-progress	95,18,520	1,75,40,500
	12,25,26,400	12,85,58,680
Net (increase) / decrease	1,81,15,660	60,32,280

Note 21 Employee benefits expense

Particulars	Amount in Rs.	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
(i) Salaries and wages	10,63,987	20,94,850
Total	10,63,987	20,94,850

Note 22 Finance costs

Particulars	Amount in Rs.	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
(a) Interest expense on:		
(i) Borrowings Cost	85,68,150	1,55,99,781
(ii) Others expenses	1,50,548	3,90,144
Total	87,18,698	1,59,89,925





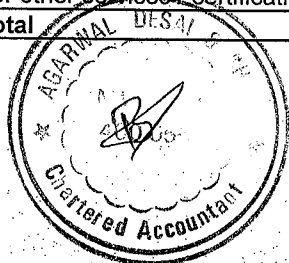
Note 23 Other expenses

Amount in Rs.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
(a) Manufacturing Expenses		
Consumption of stores and spare parts		12,901
Consumption of packing materials and waste	1,44,360	28,71,140
Power and fuel	14,36,035	21,74,911
Discount - Quality claim		
Total	15,80,395	50,58,952
(b). Administrative Expenses		
Rent including lease rentals	4,352	1,62,000
Repairs and maintenance - Others		40,468
Insurance	2,85,273	4,32,023
Rates and taxes , license fess		1,03,856
Communication / Telephone Expenses		94,987
Travelling and conveyance	2,19,134	2,41,187
Printing and stationery	2,458	10,349
Legal and professional / Security Chgs	18,77,155	17,10,465
General Expenses	89,578	85,325
Transport charges		77,590
office expenses		28,706
Payments to auditors (Refer Note i below)	25,000	1,20,000
Moter Car & Scooter Expenses		30,071
Miscellaneous Balance w/off	90,133	
Cenvat credt receivable w/off	5,55,629	
Vat receivable w/off	1,01,565	
Miscellaneous expenses	36,948	52,364
Total	32,87,224	31,89,391
(c) Selling & Distribution Expenses		
Freight and forwarding		9,298
Sales commission		
Sales discount / claim	1,40,000	
Total	1,40,000	- 9,298
Grand Total (a+b+c)	50,07,619	82,57,641

Notes (i) :

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount	Amount
Payments to the auditors comprises :		
As auditors - statutory audit	25,000	55,000
For taxation matters		25,000
For other services / certification		40,000
Total	25,000	1,20,000



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INDIA DENIM LIMITED

24 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, 2017, with a transition date of 1st April, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. The 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, 2018, 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 recognized directly in equity (retained earnings or another appropriate category of equity).

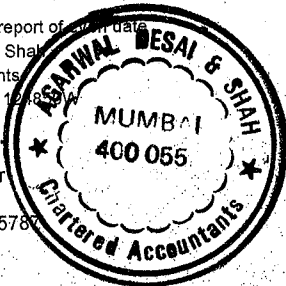
Note 25-Disclosure as required by Ind AS 101 First Time Adoption of Indian Accounting Standard (Ind AS)

25.1 - BALANCE SHEET 1ST APRIL, 2018 (date of transition to Ind AS)

(Amount in Rs.)

Particulars		Indian GAAP	Adjustments	Ind AS
		Amount	Amount	Amount
B	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment			
	Tangible assets	216,062,030		216,062,030
	(b) Deferred tax assets (Net)	20,319,855		20,319,855
	(c) Non Current tax assets (net)			-
	(d) Other non-current assets	17,000		17,000
	Long Term advances & receivables (Others)	236,398,885	-	236,398,885
2	Current assets			
	(a) Inventories	110,970,740		110,970,740
	(b) Financial assets			
	i) Trade receivables	147,250,961		147,250,961
	ii) Cash and cash equivalents	27,142		27,142
	iii)- Bank Balances other than (ii) above			
	iv- Other Financial Assets	117,104,475		117,104,475
	a) Current tax assets (net)	172,542		172,542
		375,525,860	-	375,525,860
	TOTAL ASSETS	611,924,745	-	611,924,745
A	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	114,459,000		114,459,000
	(b) Other Equity	(221,414,782)		(221,414,782)
		(106,955,782)		(106,955,782)
2	Liabilities			
	Non-current liabilities			
	(a) Financial Liabilities			
	i- Borrowings	384,768,105		384,768,105
		384,768,105	-	384,768,105
3	Current liabilities			
	(a) Financial Liabilities			
	i- Borrowings	121,773,009		121,773,009
	ii - Trade payables	20,232,257		20,232,257
	iii- Other Financial Liabilities			
	(b) Other current liabilities	191,987,212		191,987,212
	(c) Provisions	119,944		119,944
		334,112,422	-	334,112,422
	TOTAL EQUITY AND LIABILITIES	611,924,745	-	611,924,745

As per our attached report of 12/04/2018 date
For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 120829
CA. Bharat Kumar
Partner
Membership no. 175787



For and on behalf of the Board of Directors

R.B. Somany
Managing Director

Prakashchand Dalmia
Chairman

Amitabh Kejriwal
C.F.O.

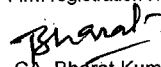
INDIA DENIM LIMITED

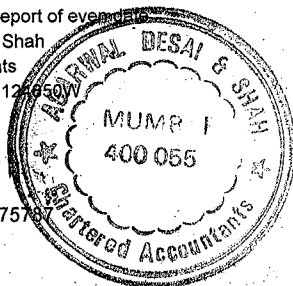
Note 25 -Disclosure as required by Ind AS 101 First Time Adoption of Indian Accounting Standard (Ind AS)

25.2 - BALANCE SHEET 1ST APRIL, 2017 (date of transition to Ind AS)


(Amount in Rs.)

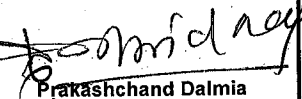
Particulars		Indian GAAP	Adjustments	Ind AS
		Amount	Amount	Amount
B	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment			
	Tangible assets	239,189,056		239,189,056
	(b) Deferred tax assets (Net)	20,319,855		20,319,855
	(c) Non Current tax assets (net)			-
	(d) Other non-current assets	17,000		17,000
	Long Term advances & receivables (Others)	259,525,911		259,525,911
2	Current assets			
	(a) Inventories	160,462,407		160,462,407
	(b) Financial assets			-
	i) Trade receivables	148,479,897		148,479,897
	ii) Cash and cash equivalents	42,033		42,033
	iii) Bank Balances other than (ii) above			-
	iv- Other Financial Assets	122,670,936		122,670,936
	a) Current tax assets (net)	64,123		64,123
	(b) Other current assets	20,320		20,320
		431,739,717		431,739,717
	TOTAL	691,265,628		691,265,628
A	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	114,459,000		114,459,000
	(b) Other Equity	(138,281,859)		-138,281,859
		(23,822,859)		-23,822,859
2	Liabilities			
	Non-current liabilities			
	(a) Financial Liabilities			
	i- Borrowings	384,768,106		384,768,106
		384,768,106		384,768,106
3	Current liabilities			
	(a) Financial Liabilities			
	i- Borrowings	201,799,141		201,799,141
	ii - Trade payables	22,714,308		22,714,308
	iii- Other Financial Liabilities			-
	(b) Other current liabilities	105,441,449		105,441,449
	(c) Provisions	365,483		365,483
		330,320,381		330,320,381
	TOTAL EQUITY AND LIABILITIES	691,265,628		691,265,628

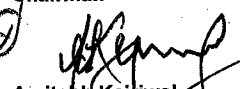
As per our attached report of even date
For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 126850

CA. Bharat Kumar
Partner
Membership no. 17578



For and on behalf of the Board of Directors


R.B. Somany
Managing Director


Prakashchand Dalmia
Chairman


Amitabh Kejriwal
C.F.O

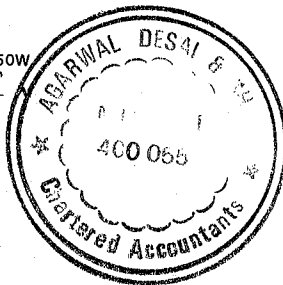
INDIA DENIM LIMITED

**Note 25.3 -Disclosure as required by Ind AS 101 First Time Adoption of Indian Accounting Standard (Ind AS)
Reconciliation of Profit and Loss for the year ended 31st March 2018**

		Amount in Rs.		
Particulars		Indian GAAP	Adjustments	Ind AS
		Amount	Amount	Amount
1	Revenue from operations (gross)	30,50,790	-	30,50,790
2	Other income	7,55,140	-	7,55,140
3	Total revenue (1+2)	38,05,930	-	38,05,930
4	Expenses			
	(a) Cost of materials consumed	3,12,31,647	-	3,12,31,647
	(b) Changes in inventories of finished goods and work-in-progress	1,81,15,660	-	1,81,15,660
	(c) Employee benefits expense	10,63,987	-	10,63,987
	(d) Finance costs	87,18,698	-	87,18,698
	(e) Depreciation and amortisation expense	2,31,27,026	-	2,31,27,026
	(f) Other expenses	50,07,619	-	50,07,619
	Total expenses	8,72,64,638		8,72,64,638
5	Profit / (Loss) before Tax	(8,34,58,708)		(8,34,58,708)
6	Tax Exp.			
	(a) Current tax expense for current year	-	-	-
	(b) Deferred tax Asser (Liability)	0	-	-
	(c) Earlier Year Tax	(3,25,785)	-	(3,25,785)
7	Profit / (Loss) for the period	(8,31,32,923)		(8,31,32,923)
8	Other Comprehensive Income			
	Item that will not be reclassified to profit or loss	-	-	-
	Re-measurment gain/(loss) on defined benefit plans	-	-	-
9	Income Tax effect on above			
	Total other Comprehensive Income / (Loss)	(8,31,32,923)	-	0
10	Total Comprehensive loss for the Year	(8,31,32,923)		(8,31,32,923)
12	Earnings per equity share			
	(a) Current tax expense for current year	(7.26)	-	(7.26)
	(b) Diluted	(7.26)	-	(7.26)

As per our attached report of even date

For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 124850W
Bharat
CA. Bharat Kumar
Partner
Membership no.175787



For and on behalf of the Board of Directors

R.B. Somany
R.B. Somany
Managing Director

Prakashchand Dalmia
Prakashchand Dalmia
Chairman

Amitabh Kejriwal
Amitabh Kejriwal
C.F.O.

Place : Mumbai
Date : 29-May-2018

Notes forming part of the financial statements



INDIA DENIM LIMITED

Note 26 Earnings per equity share (Other Notes to the financial statements)

(A). Depreciation :

Company has provided for depreciation as per Schedule II of Company act 2013 on the basis of systematic allocation of depreciable amount of an asset over its useful life as specified in Part C.

(B). Earning Per Share :

As per Accounting Standard - 20 issued by the Institute of Chartered Accountants of India, the calculation of Earning per share are given below :

Particulars	Amount in Rs.	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Earnings per share		
Basic		
1.Net profit/(Loss) for the year	(8,31,32,923)	(5,93,40,748)
2.Number of equity shares of Rs. 10 each outstanding during the year	1,14,45,900	1,14,45,900
3.Earnings per share	(7.26)	(5.18)
Diluted		
1.Net profit/(Loss) for the year	(8,31,32,923)	(5,93,40,748)
2.Number of equity shares of Rs. 10 each outstanding during the year	1,14,45,900	1,14,45,900
3.Earnings per share	(7.26)	(5.18)

(C) **Tax on Income** : In compliance with AS 22 relating to 'Taxes on Income' issued by the Institute of Chartered Accountants of India, Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income. The company has not recognised any Deferred tax liability considering upcoming period.

(D)Segment Reporting :

Since the Company is operating in one segment - Textiles, Segment reporting as required under Accounting Standard 17 is not applicable. There is no reportable geographical segment either.

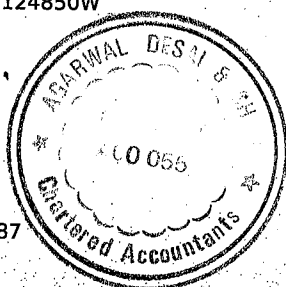
(E) .Previous year figures have been regrouped / rearranged wherever necessary to make there comparable with those of the current year.

(F) Inventory are taken/ valued and certified by the management.

(G). The provision for all liabilities is neither inadequate nor more than what is reasonably necessary. In the opinion of the Board of Directors, Current Assets, Loans and Advances will fetch the amount stated, if realized in the normal course of business. The balance due to / due from parties and loans and advances are subject to confirmation.

For Agarwal Desai & Shah
Chartered Accountants
Firm registration No. 124850W

CA Bharat Kumar
Partner
Membership no.175787



For and on behalf of the Board of Directors

R.B. Somany
Managing Director

Prakashchand Dalmia
Chairman

Amitabh Kejriwal
C.F.O.

Place :MUMBAI
Date : 29/05/2018

INDIA DENIM LIMITED

DETAILS OF THE FOLLOWING HEAD FOR THE YEAR 2017-18

Rs. 31/03/2018 Rs. 31/03/2017

LONG TERM BORROWINGS Related -UNSECURED

1 Kayo Investment & Finance Pvt. Ltd.	30,00,000	30,00,000
2 Konark Realtech Pvt. Ltd.	37,55,24,267	37,55,24,267

37,85,24,267 37,85,24,267

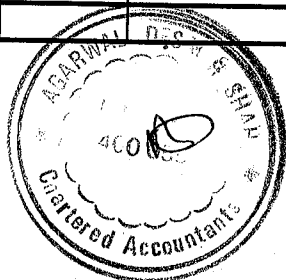
SHORT TERM BORROWINGS RELATED PARTIES - UNSECURED

1 Konark Realtech Pvt. Ltd.	8,46,54,092	5,90,20,178
2 Konark Synthetic Limited	56,96,550	56,96,550
	9,03,50,642	6,47,16,728

Statement 2

Details of interest free loan given(Loan & Adv)

No of. Account	Particular	Op.Balance (Rs.)	Loan Given (Rs.)	Recd. Back	Closing Balance (Rs.)
1	Kayo Invest.& Fina.P Ltd.	30,00,000	-	-	30,00,000
2	Konark Realch Pvt. Ltd. ST	5,90,20,178	2,75,24,914	18,91,000	8,46,54,092
3	Konark Realtech Pvt. Ltd. Loan	37,55,24,267	-	-	37,55,24,267
4	Konark Synthetic Limited	56,96,550	-	-	56,96,550
	Total	44,32,40,995	2,75,24,914	18,91,000	46,88,74,909



Handwritten signatures of three individuals.