

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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India

Independent Auditor's Report

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To the Members of PICL (India) Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of PICL (India) Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



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5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

8. 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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2017 and 31 March 2016 in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), on which we issued our audit reports to the shareholders of the Company dated 10 July 2017 and 09 August 2016 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, 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 purpose of our audit;



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- 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 financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 25 May 2018 as per Annexure B expressed unmodified opinion;
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 38 to the financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

Walker Chandiook & Co LLP

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sumit Mahajan

Sumit Mahajan

Partner

Membership No.: 504822



Place: Gurugram

Date: 25 May 2018

Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of PICL (India) Private Limited, on the financial statements for the year ended 31 March 2018 Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property, plant and equipment, investment property, other intangible assets.
 - (b) The fixed assets comprising of property, plant and equipment and capital work-in-progress have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets comprising of property, plant and equipment and capital work-in-progress is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



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Annexure A to the Independent Auditor's Report of even date to the members of PICL (India) Private Limited, on the financial statements for the year ended 31 March 2018

- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Non/late filing of Tax deducted at source	286,360	-	A.Y. 2008-09 to A.Y. 2018-19	Commissioner of Income Tax (Appeals)	Refer note 38 of financial statements

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.



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Annexure A to the Independent Auditor's Report of even date to the members of PICL (India) Private Limited, on the financial statements for the year ended 31 March 2018

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Walker ChandioK & Co

~~For Walker ChandioK & Co LLP~~

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sumit Mahajan

~~Sumit Mahajan~~

Partner

Membership No.: 504822



Place: Gurugram

Date: 25 May 2018

Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of PICL (India) Private Limited on the financial statements for the year ended 31 March 2018

Annexure B

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of PICL (India) Private Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal controls 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes



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Annexure B to the Independent Auditor's Report of even date to the members of PICL (India) Private Limited on the financial statements for the year ended 31 March 2018

in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI).

Walker ChandioK & Co

~~For Walker ChandioK & Co LLP~~

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sumit Mahajan

~~Sumit Mahajan~~

Partner

Membership No.: 504822



Place: Gurugram

Date: 25 May 2018

PICL (India) Private Limited
Balance Sheet as at 31 March 2018
(All amount in ₹ lacs unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	3,480.23	3,114.11	2,616.27
Capital work-in-progress	5	454.97	171.05	467.34
Other Intangible assets	6	518.70	518.81	323.81
Intangible assets under development	7	506.89	273.31	328.19
Financial assets				
Loans	8	24.03	6.56	5.31
Non-current tax assets (net)	9	21.06	35.78	-
Other non-current assets	10	20.59	149.59	209.23
Total non-current assets		5,026.47	4,269.21	3,950.15
Current assets				
Inventories	11	2,949.07	2,258.04	1,793.94
Financial assets				
Trade receivables	12	1,822.53	2,528.57	3,451.21
Cash and cash equivalents	13	1,095.29	52.61	13.33
Other bank balances	14	99.80	127.65	218.22
Loans	15	25.54	36.02	33.12
Other financial assets	16	50.29	-	32.72
Other current assets	17	1,346.83	817.10	1,255.71
Total current assets		7,389.35	5,819.99	6,798.25
Total assets		12,415.82	10,089.20	10,748.40
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	18	364.21	364.21	364.21
Other equity	19	2,168.80	2,264.07	2,469.00
Total equity		2,533.01	2,628.28	2,833.21
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	20	729.53	236.18	-
Provisions	21	64.95	89.08	97.71
Deferred tax liabilities (net)	22	151.53	171.61	237.37
Total non-current liabilities		946.01	496.87	335.08
Current liabilities				
Financial liabilities				
Borrowings	23	2,754.36	1,982.27	3,706.36
Trade payables	24	4,664.43	4,285.18	3,044.68
Other financial liabilities	25	902.42	329.19	548.69
Other current liabilities	26	547.15	39.35	36.59
Provisions	27	2.15	6.20	5.57
Current tax liabilities (net)	28	66.29	121.86	238.22
Total current liabilities		8,936.80	6,964.05	7,580.11
Total liabilities		9,882.81	7,460.92	7,915.19
Total equity and liabilities		12,415.82	10,089.20	10,748.40

Summary of Significant accounting policies

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

This is the Balance Sheet referred to in our report of even date.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP
Chartered Accountants

Sumit Mahajan
Sumit Mahajan
Partner



For and on behalf of Board of Directors of
PICL (India) Private Limited

Daljit Singh
Daljit Singh
Managing Director
(DIN No.: 02023964)

Jasbir Singh
Jasbir Singh
Director
(DIN No.: 00259632)

Mania Sarkar
Mania Sarkar
Company Secretary
(Membership No. A30526)

Place: Gurugram
Date: 25 May 2018

Place: Gurugram
Date: 25 May 2018

PICL (India) Private Limited
Statement of Profit and Loss for the year ended 31 March 2018
(All amount in ₹ lacs unless otherwise stated)

	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations	29	14,747.23	13,529.82
Other income	30	80.02	150.61
Total income		14,827.25	13,680.43
Expenses			
Cost of materials consumed	31	11,198.95	9,242.58
Changes in inventories of finished goods and work-in-progress	32	(343.20)	155.52
Excise duty		422.89	1,352.35
Employee benefits expense	33	579.62	566.74
Finance costs	34	564.06	486.78
Depreciation and amortisation expense	35	429.04	373.19
Other expenses	36	2,103.30	1,778.93
Total expenses		14,954.66	13,956.09
Loss before tax		(127.41)	(275.66)
Tax expense			
Current tax			(9.71)
Deferred tax		(24.07)	(64.19)
Loss for the year		(103.34)	(201.76)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit obligations		12.06	(4.74)
Income tax relating to these items		(3.99)	1.57
Other comprehensive income for the year		8.07	(3.17)
Total comprehensive income for the year		(95.27)	(204.93)
Loss per equity share			
Basic and diluted loss per share (₹)	37	(2.84)	(5.54)

Summary of Significant accounting policies

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

This is the Statement of Profit and Loss referred to in our report of even date.

Walker Chandick & Co LLP

For Walker Chandick & Co LLP

Chartered Accountants

Sumit Mahajan
Sumit Mahajan
Partner



For and on behalf of Board of Directors of
PICL (India) Private Limited

Daljit Singh
Daljit Singh
Managing Director
(DIN No.: 02023964)

Jasbir Singh
Jasbir Singh
Director
(DIN No.: 00259632)

Place: Gurugram
Date: 25 May 2018

Mania Sarkar
Mania Sarkar
Company Secretary
(Membership No. A30526)

Place: Gurugram
Date: 25 May 2018

PICL (India) Private Limited
Cash flow statement for the year ended 31 March 2018
(All amount in ₹ lacs unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Cash flows from operating activities		
Loss before tax	(127.41)	(275.66)
Adjustment for:		
Depreciation and amortisation	429.04	373.19
Provision for doubtful debt written back	(8.83)	-
Interest income	(9.71)	(57.71)
Gain on sale of fixed assets	-	(0.07)
Unrealised foreign exchange gain	(3.60)	(43.77)
Impairment loss on fixed assets and capital work-in progress	27.63	84.98
Loss by fire	37.51	-
Provision for doubtful debts	-	8.83
Bad debt	38.32	-
Other advances written off	117.60	4.51
Liabilities written back	(7.06)	(5.59)
Finance costs	564.06	486.78
Operating profit before working capital changes	1,057.55	575.49
Movements in working capital:		
Trade receivables	688.21	911.92
Inventories	(778.83)	(464.10)
Financial and other assets	(548.05)	466.67
Trade payables	380.07	1,252.60
Provisions	(16.12)	(12.74)
Financial and other liabilities	688.65	113.18
Cash generated from operations	1,471.48	2,843.02
Income tax refunded/(paid) (net)	(40.85)	(142.43)
Net cash generated from operating activities	1,430.63	2,700.59
B. Cash flows from investing activities		
Purchase of property, plant and equipment, capital work-in-progress, intangibles, Intangible assets under development including capital advances	(1,317.97)	(737.43)
Proceeds from sale of property, plant and equipment	-	0.37
Investments sold	-	-
Movement in bank deposits	37.56	90.57
Movement in security deposits	-	(4.15)
Interest received on:	-	-
Bank deposits	-	57.71
Loans	-	-
Net cash used in from investing activities	(1,280.41)	(592.93)
C. Cash flows from financing activities:		
Proceeds/(repayment) from short-term borrowings (net)	763.85	(1,689.87)
Proceeds from long term borrowings	849.99	369.62
Repayment of long term borrowings	(166.95)	(257.79)
Finance costs paid	(554.43)	(490.33)
Net cash generated from/(used in) financing activities	892.46	(2,068.38)
D Net (decrease)/increase in cash and cash equivalent (A+B+C)	1,042.68	39.28
E Cash and cash equivalent at the beginning of the year	52.61	13.33
Cash and cash equivalent at the end of the year (D+E) {refer note 13}	1,095.29	52.61

This is the cash flow statement referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants

per Sumit Mahajan
Partner



For and on behalf of Board of Directors of
PICL (India) Private Limited

Daljit Singh
Managing Director
(DIN No.: 02023964)

Jasbir Singh
Director
(DIN No.: 00259632)

Manisa Sankar
Company Secretary
(Membership No. A30526)

Place: Gurugram
Date: 25 May 2018

Place: Gurugram
Date: 25 May 2018

PICL (India) Private Limited
Statement of changes in equity for the year ended 31 March 2018
(All amount in ₹ lacs unless otherwise stated)

A Equity share capital

	Amount
Balance as at 1 April 2016	364.21
Changes in equity share capital during the year	-
Balance as at 31 March 2017	364.21
Changes in equity share capital during the year	-
Balance as at 31 March 2018	364.21

B Other equity

Particulars	Securities premium account	General reserve	Retained earnings	Total
Balance as at 1 April 2016	0.05	54.48	2,414.47	2,469.00
Loss for the year	-	-	(201.76)	(201.76)
Comprehensive income for the year (net of tax)	-	-	(3.17)	(3.17)
Balance as at 31 March 2017	0.05	54.48	2,209.54	2,264.07
Loss for the year	-	-	(103.34)	(103.34)
Comprehensive income for the year (net of tax)	-	-	8.07	8.07
Balance as at 31 March 2018	0.05	54.48	2,114.27	2,168.80

This is the Statement of Changes in Equity referred to in our report of even date.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
Chartered Accountants

Sumit Mahajan
Sumit Mahajan
Partner



For and on behalf of Board of Directors of
PICL (India) Private Limited

Daljit Singh
Daljit Singh
Managing Director
(DIN No.: 02023964)

Jasbir Singh
Jasbir Singh
Director
(DIN No.: 00259632)

Place: Gurugram
Date: 25 May 2018

Mania Sarkar
Mania Sarkar
Company Secretary
(Membership No. A30526)

Place: Gurugram
Date: 25 May 2018

1. Corporate information and statement of compliance with Indian Accounting Standards (Ind AS)

PICL (India) Private Limited (the "Company") a public limited company domiciled in India and having its registered office at D-151/A, Okhla Industrial Area, Phase-I, New Delhi-110020, was incorporated in September 1994, under the Companies Act 1956, is engaged in the production of electric motors. The Company is currently operating through its factories situated at Faridabad in Haryana.

The financial statements of the Company have been prepared to comply in all material respects with accounting principles generally accepted in India, including Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act. The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("Previous GAAP") and other relevant provisions of the Act.

These financial statements for the year ended 31 March 2018 are the first financial statements which the Company has prepared under Ind AS. For purpose of comparatives, financial statements for year ended 31 March 2017 and opening Balance Sheet as at 1 April 2016 are also prepared under Ind AS. Refer note 48 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

2. Basis of preparation and significant accounting policies

a. Basis of preparation

The financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial instruments and plan assets, which are measured at fair values. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1 April 2016 being the date of transition to Ind AS, except where the Company has applied certain exemptions upon transition to Ind AS.

The significant accounting policies and measurement bases have been summarised below.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and as per terms of agreements wherever applicable. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b. Revenue recognition

Revenue is recognised to the extent it is probable that future economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable net of related rebates. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from operations

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest income

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.



c. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

d. Income taxes

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (OCI) or directly in equity.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (i.e. in OCI or equity depending upon the treatment of underlying item).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

e. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Foreign currency transactions

The financial statements are presented in Indian Rupee ('INR' or 'Rs.') which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses, as the case maybe.

g. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at



fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

Subsequent measurement

- i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost, if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables: In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets: In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

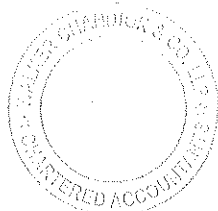
De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.



De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments

Initial and subsequent measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting of financial instruments

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

i. Property, plant and equipment ("PPE")

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and definition of asset is met. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on fixed assets is provided on straight line method based on life prescribed as per Schedule II of the Companies Act, 2013.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

j. Intangible assets

Recognition, initial measurement and subsequent measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.



Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

	Useful life (in years)
Computer softwares	6
Development costs	7

k. Capital work-in progress

Cost of material consumed and erection charges thereon along with other direct cost incurred by the Company for the projects are shown as capital work-in-progress until capitalisation.

i. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For this purpose, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

m. Leases

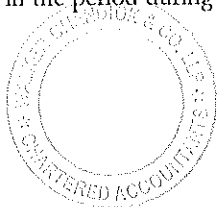
As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease, unless the increase in rent is to compensate the lessor for the effects of inflation.

n. Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.



o. Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

p. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19- Employee Benefits.

Defined benefit plans

Gratuity

The Company operates one defined benefit plan for its employees, viz. gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in other comprehensive income.

Other long term benefits

Accumulated leave expected to be carried forward beyond twelve months, is treated as long term employee benefit. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit.

Liability under continuity linked key resource and deferred salary schemes is provided for on actuarial valuation basis, which is done as per the projected unit credit method at the end of each financial period.

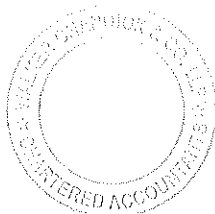
Defined contribution plans

Provident Fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.



q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

r. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment and geographical segment

3. Recent accounting pronouncement

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from contract with customers, Appendix B to Ind-AS 21, Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective date.

Ind AS 115: Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11, Construction contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflect the consideration to which the entity expects to be entitled in exchange for those goods and services. The standards can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

Based on the preliminary assessment performed by the company, the impact of application of standard is not expected to be material.

Appendix B to Ind AS 21, Foreign currency transaction and advance consideration

The appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment of receipt of advance consideration towards such asset , expenses or income . If there are multiple payments or receipt in advance , then an entity must determine an transaction date for each payments or receipts of advance consideration.

Based on the preliminary assessment performed by the company, the impact of application of appendix is not expected to be material.

4. Significant accounting judgements, estimates and assumptions

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:



Significant judgements:

(i) Evaluation of indicators for impairment of non-financial assets

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(ii) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

(iii) Contingent liabilities

The Company is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Sources of estimation uncertainty:

(i) Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from management's estimates.

(ii) Fair valuation of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(iii) Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.



PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

4. Property, plant and equipment

Description	Land	Buildings	Leasehold improvements	Plant and machinery	Furniture & fixtures	Office equipments	Vehicles	Computers	Total
Gross carrying value									
As at 01 April 2016*	220.67	823.12	-	2,270.81	128.95	42.06	122.46	107.23	3,715.30
Additions	-	3.27	-	764.32	8.49	11.25	22.93	10.57	820.83
Disposals	-	-	-	-	-	-	-	(2.21)	(2.21)
As at 31 March 2017	220.67	826.39	-	3,035.13	137.44	53.31	145.39	115.59	4,533.92
Additions	-	51.46	54.69	541.52	27.39	8.77	-	9.79	693.62
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2018	220.67	877.85	54.69	3,576.65	164.83	62.08	145.39	125.38	5,227.54
Accumulated depreciation									
As at 01 April 2016*	-	165.90	-	670.14	87.67	24.77	51.07	99.48	1,099.03
Charge for the year	-	25.10	-	246.79	7.68	4.06	12.40	1.96	297.99
Disposals	-	-	-	-	-	-	-	(1.90)	(1.90)
Impairment loss	-	-	-	22.85	1.84	-	-	-	24.69
As at 31 March 2017	-	191.00	-	939.78	97.19	28.83	63.47	99.54	1,419.81
Charge for the year	-	25.31	1.65	268.33	6.79	4.43	15.09	5.90	327.50
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2018	-	216.31	1.65	1,208.11	103.98	33.26	78.56	105.44	1,747.31
Net block as at 01 April 2016*	220.67	657.22	-	1,600.67	41.28	17.29	71.39	7.75	2,616.27
Net block as at 31 March 2017	220.67	635.39	-	2,095.35	40.25	24.48	81.92	16.05	3,114.11
Net block as at 31 March 2018	220.67	661.54	53.04	2,368.54	60.85	28.82	66.83	19.94	3,480.23

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

(i) Contractual obligations

Refer note 38(iii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, plant and equipment have been pledged as security for liabilities, for details refer note 41.

(iii) During the previous year ended 31 March 2017, the Company had assessed the recoverable amount of assets located at Baddi and Parwanoo units, whereby such assets had been valued at their net estimated recoverable amount. The difference between the written down values of such assets and net estimated recoverable amount had been considered as impairment loss.

5. Capital work-in-progress

Plant and machinery

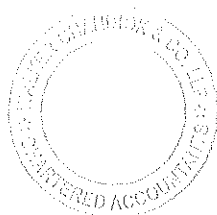
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Plant and machinery	454.97	171.05	467.34
	454.97	171.05	467.34

(i) The borrowing cost capitalised during the year ended 31 March 2018 amounts to ₹ 18.86 lacs (31 March 2017: ₹ Nil; 01 April 2016: ₹ Nil)

(ii) Movement in capital work in progress:

Particulars	Amount
Capital work-in-progress as at 01 April 2016	467.34
Add: additions during the year	171.05
Less: capitalisation during the year	(467.34)
Capital work-in-progress as at 31 March 2017	171.05
Add: additions during the year	454.97
Less: capitalisation during the year	(171.05)
Capital work-in-progress as at 31 March 2018	454.97

(iv) During the year ended 31 March 2018, expenses comprising of raw material consumption, personnel costs, power and fuel charges and other related expenses have been capitalized under capital work in progress ₹ 454.97 lacs (31 March 2017 : ₹ 171.05 lacs), being expenses eligible for capitalization.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

6. Intangible assets

Description	Softwares	Patent and trademark	Development costs	Total intangible assets
Gross carrying value				
At 01 April 2016*	124.06	30.00	350.62	504.68
Additions	8.88	-	261.32	270.20
Balance as at 31 March 2017	132.94	30.00	611.94	774.88
Additions	14.17	-	87.26	101.43
Balance as at 31 March 2018	147.11	30.00	699.20	876.31
Accumulated amortisation				
At 01 April 2016*	99.88	29.58	51.41	180.87
Amortisation charge for the year	8.20	0.28	66.72	75.20
Balance as at 31 March 2017	108.08	29.86	118.13	256.07
Amortisation charge for the year	9.42	0.14	91.98	101.54
Balance as at 31 March 2018	117.50	30.00	210.11	357.61
Net book value as at 01 April 2016*	24.18	0.42	299.21	323.81
Net book value as at 31 March 2017	24.86	0.14	493.81	518.81
Net book value as at 31 March 2018	29.61	-	489.09	518.70

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated amortisation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

Notes:

(i) Amortisation for the year has been included in line item 'Depreciation and amortisation expense' in statement of profit and loss.

7. Intangible assets under development

Development costs

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Development costs	506.89	273.31	328.19
	506.89	273.31	328.19

(i) Movement in intangible assets under development:

Particulars	Amount
Intangible assets under development as at 01 April 2016	328.19
Add: additions during the year	266.72
Less: capitalisation during the year	(261.32)
Less: impairment during the year	(60.28)
Intangible assets under development as at 31 March 2017	273.31
Add: additions during the year	348.46
Less: capitalisation during the year	(87.25)
Less: impairment during the year	(27.63)
Intangible assets under development as at 31 March 2018	506.89

(ii) During current year, expenses comprising of raw material consumption, personnel costs, power and fuel charges and other related expenses have been capitalized under intangible assets under development ₹ 348.46 lacs (31 March 2017 : ₹ 266.72 lacs), being expenses eligible for capitalization.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
8 Loans			
Non-current			
Unsecured, considered good			
Security deposits	24.03	6.56	5.31
	<u>24.03</u>	<u>6.56</u>	<u>5.31</u>
Refer note 45 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 46 - Financial risk management for assessment of expected credit losses			
9 Non-current tax assets (net)			
Advance tax and TDS recoverable	21.06	35.78	-
	<u>21.06</u>	<u>35.78</u>	<u>-</u>
10 Other non-current assets			
Capital advances	13.91	37.22	96.86
Balance with statutory authorities*	1.50	112.37	112.37
Prepaid expenses	5.18	-	-
	<u>20.59</u>	<u>149.59</u>	<u>209.23</u>
*security deposit paid under protest with statutory authorities.			
11 Inventories			
(Valued at lower of cost and net realisable value, unless otherwise stated)			
Raw materials	1,806.23	1,435.62	820.15
Work-in-progress	988.29	561.48	806.07
Finished goods (refer note (i) below)	154.55	260.94	167.72
	<u>2,949.07</u>	<u>2,258.04</u>	<u>1,793.94</u>

(i) Finished goods include goods in transit amounting to ₹ 42.12 lacs (31 March 2017: ₹ 84.27 lacs; 1 April 2016: ₹ 33.21 lacs)

(ii) Inventories have been pledged as security for liabilities, for details refer note 41.

12 Trade receivables

Related Parties (Refer note 39)			
Unsecured, considered good	86.96	806.03	1,979.62
Other trade receivables			
Unsecured, considered good	1,735.57	1,722.54	1,471.59
Unsecured, considered doubtful	-	8.83	-
	<u>1,822.53</u>	<u>2,537.40</u>	<u>3,451.21</u>
Less: allowance for expected credit loss	-	8.83	-
	<u>1,822.53</u>	<u>2,528.57</u>	<u>3,451.21</u>

Notes:

(i) The carrying values of trade receivables are considered to be a reasonable approximation of fair values.

(ii) Refer note 46 - Financial risk management for assessment of expected credit losses.

(iii) Trade receivables have been pledged as security for liabilities, for details refer note 41.

(iv) Trade receivables include ₹ 85.28 lacs (31 March 2017 ₹ 806.03 lacs; 01 April 2016 ₹ 1979.62 lacs) due from related parties. For details refer note 39 - related party disclosures

13 Cash and cash equivalents

Balances with banks:			
- in current accounts	1,092.22	51.41	7.82
Cash in hand	3.07	1.20	5.51
	<u>1,095.29</u>	<u>52.61</u>	<u>13.33</u>

Notes:

(i) Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the reporting year and comparative years.

(ii) Deposits represents margin money deposits given against bank guarantees, letter of credit and buyers credit issued by IDFC Bank.

14 Other bank balances:

Deposits with original maturity more than three months but less than twelve months	99.80	127.65	218.22
	<u>99.80</u>	<u>127.65</u>	<u>218.22</u>

Notes:

(i) Deposits represents margin money deposits given against bank guarantees, letter of credit and buyers credit issued by Coporation Bank, HDFC Bank, DBS Bank and IDFC Bank.

(ii) The carrying values are a reasonable approximate of their fair values.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
15 Loans (Current)			
Unsecured, considered good			
Security deposits	25.54	36.02	33.12
	<u>25.54</u>	<u>36.02</u>	<u>33.12</u>
The carrying values are considered to be a reasonable approximation of fair values.			
16 Other financial assets (Current)			
Insurance claim receivable (refer note 36.1)	50.29	-	-
Margin money against commodities hedging	-	-	32.72
	<u>50.29</u>	<u>-</u>	<u>32.72</u>
The carrying values are considered to be a reasonable approximation of fair values.			
17 Other current assets			
Advances to suppliers	55.90	13.89	198.69
Balances with statutory authorities	1,208.87	745.24	1,039.50
Staff advances	56.66	35.49	6.25
Prepaid expenses	25.40	22.48	11.27
	<u>1,346.83</u>	<u>817.10</u>	<u>1,255.71</u>



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
18 Equity share capital			
Authorised share capital			
5,000,000 (31 March 2017 : 5,000,000 ; 01 April 2016 : 5,000,000) Equity shares of ₹ 10 each	500.00	500.00	500.00
	<u>500.00</u>	<u>500.00</u>	<u>500.00</u>
Issued, subscribed and fully paid up equity share capital			
3,642,100 (31 March 2017 : 3,642,100; 01 April 2016 : 3,642,100) Equity shares of ₹ 10 each	364.21	364.21	364.21
	<u>364.21</u>	<u>364.21</u>	<u>364.21</u>

(i) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian ₹.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2018		31 March 2017	
	No. of shares	(₹ lacs)	No. of shares	(₹ lacs)
Equity share capital of ₹ 10 each fully paid up				
Balance at the beginning of the year	36,42,100	364.21	36,42,100	364.21
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	<u>36,42,100</u>	<u>364.21</u>	<u>36,42,100</u>	<u>364.21</u>

(iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date

	As on 31 March 2018		As on 31 March 2017		As on 01 April 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited)	36,42,000	99.997%	36,42,000	99.997%	36,42,000	99.997%

(iv) Shares held by holding company:

Out of equity shares issued by the Company, shares held by its Holding Company are as below:

	As on 31 March 2018		As on 31 March 2017		As on 01 April 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited)	36,42,000	99.997%	36,42,000	99.997%	36,42,000	99.997%

v) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

19 Other equity

	As at 31 March 2018	As at 31 March 2017
Securities premium reserve		
Balance at the beginning of the year	0.05	0.05
Changes during the year	-	-
Balance at the end of the year	<u>0.05</u>	<u>0.05</u>
General reserve		
Balance at the beginning of the year	54.48	54.48
Changes during the year	-	-
Balance at the end of the year	<u>54.48</u>	<u>54.48</u>
Surplus in the statement of profit and loss		
Balance at the beginning of the year	2,209.54	2,414.47
Add : Loss for the year	(103.34)	(201.76)
Add : Other comprehensive income		
- Re-measurement gains/(losses) on defined benefit obligations	12.06	(4.74)
- Income tax relating to above item	(3.99)	1.57
Balance at the end of the year	<u>2,114.27</u>	<u>2,209.54</u>
Total other equity	<u>2,168.80</u>	<u>2,264.07</u>

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
20 Long-term borrowings			
Secured			
Term loan [refer note (i)]	724.95	224.68	-
Vehicle loan [refer note (j)]	4.58	11.50	-
	<u>729.53</u>	<u>236.18</u>	<u>-</u>
Current maturities of long-term debts	264.23	76.14	202.93
Total long-term borrowings	<u>993.76</u>	<u>312.32</u>	<u>202.93</u>

Notes:

(i) Repayment terms and security disclosure for long-term borrowings (including current maturities) outstanding as at 31 March 2018, 31 March 2017 and 1 April 2016

- (a) Term loan from Ratnakar Bank Limited amounting to ₹ 507.45 lacs (31 March 2017: ₹ 294.68 lacs; 01 April 2016: ₹ Nil) carrying interest rate @ 10.75% p.a. (31 March 2017: 11.75% p.a.; 01 April 2016: Nil) is repayable in 13 quarterly installments with last instalment payable on 30 June 2021.
- (b) Term loan from Yes Bank amounting to ₹ 475.00 lacs (31 March 2017: ₹ Nil; 01 April 2016: ₹ Nil) carrying interest rate @ 9.45% p.a. (31 March 2017: Nil; 01 April 2016: Nil) is repayable in 19 quarterly installments with last instalment payable on 11 December 2022.
- (c) Term loan from HDFC Bank amounting to ₹ Nil (31 March 2017: ₹ Nil; 01 April 2016: ₹ 199.62 lacs) carrying interest rate @ Nil (31 March 2017: Nil; 01 April 2016: 12.15% p.a.).

Above loans are secured by first pari passu charge on all the present and future current assets of the company, first pari passu charge on moveable fixed assets of the Company exclusive of those specifically hypothecated to other banks, first pari passu charge on Plot No. 92, Sector-6, Faridabad in the name of the Company and first pari passu charge on Plot No. 99, Sector-6, Faridabad in the name Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited). The term loan is also secured by Corporate guarantees of Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited) and personal guarantees of Mr. Jasbir Singh (Director) and Mr. Daljit Singh (Managing Director) of the Company.

Vehicle loans

- (d) Vehicle loan from Toyota Financial Private Limited amounting to ₹ 11.31 lacs (31 March 2017: ₹ 17.64 lacs; 01 April 2016: ₹ Nil) carrying interest rate @ 9.25 % p.a. (31 March 2017: 9.25% p.a.; 01 April 2016: Nil) is repayable in 20 monthly instalments with last instalment payable on 10 November 2019.
- (e) Vehicle loan from Diabler Financial Institutions amounting to ₹ Nil (31 March 2017: ₹ Nil; 01 April 2016: ₹ 3.31 lacs) carrying interest rate @ Nil (31 March 2017: Nil; 01 April 2016: 9.56% p.a.).

Above loans are secured against hypothecation of specific vehicles purchased out of the proceeds of these loans.

(ii) Refer note 45 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 46 - Financial risk management for assessment of expected credit losses

(iii) Reconciliation of liabilities arising from financing activities

	Long-term borrowings	Short-term borrowings	Total
As at 1 April 2017	312.32	1,982.27	2,294.59
Cash flows:			
Proceeds from borrowings	849.99	763.85	1,613.84
Repayment of borrowings	(166.95)	-	(166.95)
Non-cash:			
Foreign currency fluctuation impact	-	9.46	9.46
Impact of borrowings measured at amortised cost	(1.60)	(1.22)	(2.82)
As at 31 March 2018	<u>993.76</u>	<u>2,754.36</u>	<u>3,748.12</u>

21 Long-term provisions

Provision for employee benefits

Provision for gratuity (unfunded)	35.69	45.19	49.46
Provision for compensated absences	29.26	43.89	48.25
	<u>64.95</u>	<u>89.08</u>	<u>97.71</u>

For disclosures related to provision for employee benefits, refer note 43 - Employee benefit obligations.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
22 Deferred tax liabilities (net)			
Deferred tax liability arising on account of :			
Property, plant and equipment	368.24	315.88	245.21
Financial assets and liabilities measured at amortised cost	1.41	2.23	0.13
Tax impact on income	-	34.86	34.86
Gross deferred tax liability	369.65	352.97	280.20
Deferred tax asset arising on account of :			
Provision for gratuity	12.09	15.17	17.31
Provision for compensated absences	10.10	16.33	16.84
Unabsorbed depreciation	187.65	136.84	-
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax	8.28	8.28	8.24
Provision for doubtful debts	-	2.92	-
Others	-	1.82	0.44
	218.12	181.36	42.83
Net deferred tax liabilities	151.53	171.61	237.37

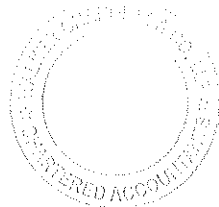
Notes:

(i) Movement in deferred tax liabilities (net) for the year ended 31 March 2018:

Particulars	As at 31 March 2017	Recognised in other comprehensive income/ equity	Recognised statement of profit and loss	As at 31 March 2018
Deferred tax liability arising on account of :				
Property, plant and equipment	315.88	-	52.36	368.24
Financial assets and liabilities measured at amortised cost	2.23	-	(0.82)	1.41
Tax impact on income	34.86	-	(34.86)	-
	352.97	-	16.68	369.65
Deferred tax asset arising on account of :				
Provision for gratuity	15.17	(3.99)	0.91	12.09
Provision for compensated absences	16.33	-	(6.23)	10.10
Unabsorbed depreciation	136.84	-	50.81	187.65
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax	8.28	-	-	8.28
Provision for doubtful debts	2.92	-	(2.92)	-
Others	1.82	-	(1.82)	-
	181.36	(3.99)	40.75	218.12
Net deferred tax liabilities	171.61	3.99	(24.07)	151.53

(ii) Movement in deferred tax assets liabilities (net) for year ended 31 March 2017:

Particulars	As at 01 April 2016	Recognised in other comprehensive income/ equity	Recognised statement of profit and loss	As at 31 March 2017
Deferred tax liability arising on account of :				
Property, plant and equipment	245.21	-	70.67	315.88
Financial assets and liabilities measured at amortised cost	0.13	-	2.10	2.23
Tax impact on income	34.86	-	-	34.86
	280.20	-	72.77	352.97
Deferred tax asset arising on account of :				
Provision for gratuity	17.31	1.57	(3.71)	15.17
Provision for compensated absences	16.84	-	(0.51)	16.33
Unabsorbed depreciation	-	-	136.84	136.84
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax	8.24	-	0.04	8.28
Provision for doubtful debts	-	-	2.92	2.92
Others	0.44	-	1.38	1.82
	42.83	1.57	136.96	181.36
Net deferred tax liabilities	237.37	(1.57)	(64.19)	171.61



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	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
23 Short-term borrowings			
Secured			
From banks:			
Working capital demand loan	2,000.00	500.00	200.00
Foreign currency loan	-	568.52	-
Buyers credit facility	44.61	-	230.28
Packing credit facility	384.53	315.36	1,961.14
Cash credit facility	210.34	515.84	1,035.41
Domestic bill discounting facility	114.88	82.55	-
Foreign bill discounting facility	-	-	279.53
	<u>2,754.36</u>	<u>1,982.27</u>	<u>3,706.36</u>

Security disclosure for short-term borrowings outstanding as at 31 March 2018, 31 March 2017 and 01 April 2016

Working capital demand loans, foreign currency loan, buyer's credit facility, packing credit facility, cash credit facilities and domestic bill discounting facility are secured by first pari passu charge on all the present and future current assets of the Company, first pari passu charge on moveable fixed assets of the Company exclusive of those specifically hypothecated to other banks, first pari passu charge on Plot No. 92, Sector-6, Faridabad in the name of the Company and first pari passu charge on Plot No. 99, Sector-6, Faridabad in the name Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited). The loans are also secured by corporate guarantees of Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited) and personal guarantees of Mr. Jasbir Singh (Director) and Mr. Daljit Singh (Managing Director) of the Company. These facilities carry interest rate ranging from 2.82% p.a. to 12.00% p.a. (31 March 2017: from 2.30% p.a. to 13.25% p.a.; 01 April 2016: 2.3% p.a. to 13.85% p.a.)

24 Trade payables

Due to micro and small enterprises [refer note (i) below]	-	-	-
Dues to others	4,664.43	4,285.18	3,044.68
	<u>4,664.43</u>	<u>4,285.18</u>	<u>3,044.68</u>

(i) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	Nil	Nil	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period; Interest accrued and due thereon remaining unpaid	Nil	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act;	Nil	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the	Nil	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil	Nil

(ii) The carrying values are considered to be reasonable approximation of their fair values.

25 Other financial liabilities

Current maturities of long-term debts (refer note 20(i))			
Term loan	257.50	70.00	200.00
Vehicle loan	6.73	6.14	2.93
Interest accrued on borrowings	12.45	-	6.20
Creditors for capital goods	16.92	18.02	14.95
Expenses payables	518.01	322.56	237.19
Employee related payables	71.58	87.76	56.44
Other accrued liabilities	19.23	24.71	30.98
	<u>902.42</u>	<u>529.19</u>	<u>548.69</u>

The carrying values are considered to be reasonable approximation of their fair values.

26 Other current liabilities

Advance from customers	528.43	23.09	2.44
Payable to statutory authorities	18.72	16.26	34.15
	<u>547.15</u>	<u>39.35</u>	<u>36.59</u>



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
27 Short-term provisions			
Provision for employee benefits			
Provision for gratuity (unfunded)	0.87	0.71	2.90
Provision for compensated absences	1.28	5.49	2.67
	<u>2.15</u>	<u>6.20</u>	<u>5.57</u>
For disclosures related to provision for employee benefits, refer note 43 - Employee benefit obligations.			
28 Current tax liabilities (net)			
Provision for income tax [net]	66.29	121.86	238.22
	<u>66.29</u>	<u>121.86</u>	<u>238.22</u>



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
29 Revenue from operations		
Sale of products		
Domestic	11,135.30	11,529.54
Export	3,072.57	1,694.96
Other operating revenues		
Scrap sales	419.50	237.04
Export incentive	119.86	68.28
	14,747.23	13,529.82
30 Other income		
Interest income	9.71	57.71
Foreign exchange fluctuation (net)	30.50	86.98
Provision for doubtful debts written back	8.83	-
Freight subsidy against export	20.00	-
Profit on sale of assets (net)	-	0.07
Liability written back	7.06	5.59
Miscellaneous receipts	3.92	0.26
	80.02	150.61
31 Cost of materials consumed		
Opening stock	1,435.62	820.15
Add: Purchases made during the year	11,569.56	9,858.05
Less: Closing stock	1,806.23	1,435.62
	11,198.95	9,242.58
32 Changes in inventories of finished goods and work-in-progress		
Opening stock		
Finished goods	260.94	806.07
Work-in-progress	561.48	167.72
	822.42	973.79
Closing stock		
Finished goods *	154.55	260.94
Work-in-progress	988.29	561.48
	1,142.84	822.42
Change in stock	(320.42)	151.37
Change in excise duty on closing stock	(22.78)	4.15
	(343.20)	155.52
* Finished goods include goods in transit amounting to ₹ 42.12 lacs (31 March 2017: ₹ 84.27 lacs)		
33 Employee benefits expense		
Salary, wages and bonus	504.33	516.37
Contribution to provident and other funds	48.56	32.97
Staff welfare expenses	26.73	17.40
	579.62	566.74

For disclosures related to provision for employee benefits, refer note 43 - Employee benefit obligations.

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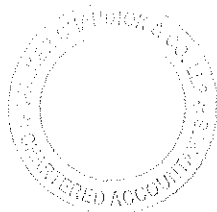


PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
34 Finance costs		
Interest on:		
- Long term borrowing		
Term loan	70.37	44.60
Vehicle loan	1.38	0.67
- Short term borrowing		
Foreign currency loan	10.15	7.92
Working capital demand loan	169.01	112.81
Cash credit	92.79	80.67
Packing credit facility	5.06	42.20
Foreign exchange fluctuation (net)	58.71	28.35
Letter of credit and buyers credit	17.97	22.70
- Other		
Loan processing fee	8.29	18.72
Bill discounting charges	133.27	128.14
Interest on income tax	0.26	-
Interest on others	15.66	-
	582.92	486.78
Less: borrowing costs capitalised [refer note 5(i)]	(18.86)	-
	564.06	486.78
35 Depreciation and amortisation expense		
Depreciation (also refer note 4)	327.50	297.99
Amortisation (also refer note 6)	101.54	75.20
	429.04	373.19



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
36 Other expenses		
Job work charges	416.09	369.98
Contractual labour charges	710.80	647.10
Power and fuel charges	72.98	87.44
Clearing and forwarding expense	48.88	25.27
Freight outward	257.72	166.94
Legal and professional charges*	64.58	57.41
Travelling and conveyance expense	41.80	42.80
Repairs and maintenance		
- Plant and machinery	20.06	5.00
- Buildings	1.90	17.35
- Others	17.28	22.12
Insurance	7.97	8.08
Rent		
- Plant and machinery	6.75	33.68
- Buildings	79.30	62.46
Fees, rates and taxes	13.47	36.87
Communication expenses	27.38	16.14
Donation	0.28	1.92
Corporate social responsibility expenses (refer note 49)	12.77	10.80
Provision for bad debts	-	8.83
Advance / balances written off	117.60	4.51
Bad debts	38.32	-
Vehicle running expenses	11.53	8.10
Printing and stationary	5.68	5.83
Business promotion expenses	8.93	15.13
Loss by fire (refer note 36.1)	37.51	-
Impairment loss on fixed assets and capital work-in progress	27.63	84.98
Security charges	23.49	17.98
Bank charges	8.89	14.55
Miscellaneous expenses	23.71	7.66
	2,103.30	1,778.93
* Legal and professional includes payment to the statutory auditor		
For statutory audit	8.50	8.50
Reimbursement of expenses	1.18	1.71
Total*	9.68	10.21

36.1 On 20th February 2018, there was fire in the factory area due to short circuit, resulted in estimated loss of inventory amounting to Rs. 101.64 lakhs. Company has received salvage quote amounting to Rs. 13.85 lacs, treated as net realisable value of such inventory. Also, the amount estimated as recoverable from insurance company is Rs. 50.28 lakhs and the same has been disclosed under the head 'Insurance recoverable' in 'other financial assets' (refer note 16). Therefore, Company has recorded estimated loss amounting to Rs. 37.51 lakhs during the year.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amount in ₹ lacs unless otherwise stated)

37 Earnings per share	For the year ended 31 March 2018	For the year ended 31 March 2017
Loss after tax	(103.34)	(201.76)
Weighted average number of equity shares	36,42,100	36,42,100
Basic and diluted earning per share (₹)	(2.84)	(5.54)
Nominal value per equity share (₹)	10.00	10.00

38 Contingent liabilities and commitments

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
(i) Contingent liabilities			
a) Income tax demands			
Assessment Year- 2008-09*	0.12	-	0.29
Assessment Year- 2009-10*	0.33	-	27.85
Assessment Year- 2010-11*	0.14	-	-
Assessment Year- 2011-12*	0.14	-	0.35
Assessment Year- 2012-13*	1.40	-	0.01
Assessment Year- 2013-14*	0.31	-	-
Assessment Year- 2014-15*	0.02	-	0.55
Assessment Year- 2015-16*	0.03	-	-
Assessment Year- 2016-17*	-	0.05	-
Assessment Year- 2017-18*	0.34	-	-
Assessment Year- 2018-19*	0.03	-	-
b) Others			
Bonus for financial year 2014-15***	9.78	9.78	9.78

* The Company has been intimated of demand aggregating ₹ 2.86 lacs (31 March 2017: ₹ 0.05 lacs; 01 April 2016: ₹ 1.19 lacs) for various assessment years (as mentioned above) on account of non/ late filing of TDS returns, and incorrect submissions of data with income tax authorities. Based on the advice from independent tax experts and development on the appeals, the Company is confident that the additional tax so demanded will not be sustained on the completion of appellate proceedings and accordingly, pending the decisions by the appellate authorities, no provision has been made in these financial statements.

*** The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made effective from 01 April 2014) revised the thresholds for coverage of employee eligible for Bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts and based on legal opinion obtained by the management, the Company has not recognised any differential amount of bonus for the period 01 April 2014 to 31 March 2015 (₹ 9.78 lacs) and accordingly has recognised the expense as per the amended provisions w.e.f. 01 April 2015 and onwards.

Interest on certain claims may be payable as and when the outcome of the related claim is determined.

The Company has certain litigations and based on legal advice of in-house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

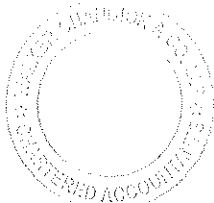
(ii) Guarantees/ securities

The Company has given corporate guarantees on behalf of its Holding Company, Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited) amounting to ₹ Nil (31 March 2017 : ₹ Nil; 01 April 2016: ₹ 800 lacs). Against these guarantees, term loan availed by the Holding Company aggregates to ₹ Nil (31 March 2017 : ₹ Nil; 01 April 2016: ₹ 800 lacs) having current outstanding ₹ Nil (31 March 2017 : ₹ Nil; 01 April 2016: ₹ 372.33 lacs).

(iii) Commitments

The Company has the following commitments :

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	10.36	19.11	121.74
	10.36	19.11	121.74



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

39 Related party disclosures

A. Names of the related parties and related party relationship

I. Holding Company

Amber Enterprises India Limited (formerly Amber Enterprises (India) Private Limited)

II. Key management personnel (KMP)

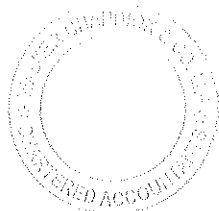
Mr. Jasbir Singh (Managing Director)

Mr. Daljit Singh (Director)

Ms. Mania Sarkar (Company Secretary) (w.e.f. July 2017)

The following transactions were carried out with related parties in the ordinary course of business for the year ended 31 March 2018

S No.	Particulars	Holding company		Key management personnel	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
(A)	Transactions made during the year:				
a)	Sale of goods	3,696.80	3,185.08	-	-
b)	Sale of MEIS license	34.07	-	-	-
c)	Purchases	108.64	0.31	-	-
d)	Rent paid	36.00	36.00	-	-
e)	Sale of fixed assets & capital work-in-progress	-	0.37	-	-
f)	Interest income	-	49.40	-	-
g)	KMP remuneration				
	Post-employment benefits			0.14	-
	Salary paid*			72.34	70.20
	*Name of KMP				
	Daljit Singh	-	-	40.20	40.20
	Jasbir Singh	-	-	30.00	30.00
	Mania Sarkar	-	-	2.14	-
h)	Personal guarantee taken from KMP's with respect to term loan and working capital loan				
	Jasbir Singh	-	-	3,200.00	-
	Daljit Singh	-	-	3,200.00	-
i)	Personal guarantee surrender to KMP's with respect to term loan and working capital loan				
	Jasbir Singh	-	-	2,700.00	2,050.00
	Daljit Singh	-	-	2,700.00	2,050.00
j)	Corporate guarantee taken from Holding Company with respect to term loan and working capital	3,200.00	2,050.00	-	-
k)	Corporate guarantee surrender to Holding Company with respect to working capital	2,700.00	-	-	-
l)	Corporate guarantee surrender to Holding Company with respect to term loan**	-	800.00	-	-
m)	Corporate guarantee surrender to Holding Company with respect to term loan outstanding**	-	373.22	-	-



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

	Particulars	Holding company			Key management personnel		
		31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
(B)	Balances at year end						
1	Trade receivable	86.96	806.03	1,979.62	-	-	-
2	Trade Payable	168.61	-	-	-	-	-
3	Advance from customer	520.01	-	-	-	-	-
4	Corporate guarantee taken from Holding Company with respect to term loan and working capital*	5,750.00	5,250.00	7,300.00	-	-	-
5	Personal guarantee taken from KMP's with respect to term loan and working capital loan*						
	Jasbir Singh	-	-	-	5,750.00	5,250.00	7,300.00
	Daljit Singh	-	-	-	5,750.00	5,250.00	7,300.00
6	Salary payable						
	Daljit Singh	-	-	-	-	1.93	-
	Jasbir Singh	-	-	-	-	1.69	-
	Mania Sarkar	-	-	-	0.23	-	-
7	Corporate guarantee given to Holding Company with respect to term loan**	-	-	-	-	-	800.00
8	Corporate guarantee given to Holding Company with respect to term loan outstanding**	-	-	-	-	-	373.22

* Guarantees taken by the Company includes personal guarantees of Mr. Jasbir Singh and Mr. Daljit Singh and corporate guarantee from Holding company for working capital borrowings and term loans. The original sanctioned limits of working capital borrowings and outstanding balance of term loans by the banks has been disclosed above. However, at the reporting date, the outstanding balance of working capital borrowings and the term loans in respect of which corporate guarantees and personal guarantees have been given stands at ₹ 4588.12 lacs (31 March 2017: ₹ 3,197.79 lacs; 01 April 2016: ₹ 4,811.74 lacs) each of Mr. Jasbir Singh, Mr. Daljit Singh and of holding company.

** Guarantees given by the Company to its holding company for term loans. The original sanctioned limits and outstanding balance of term loans by the banks has been disclosed above. However, at the reporting date, the outstanding balance of term loans in respect of which corporate guarantees have been given stands at ₹ Nil (31 March 2017: ₹ Nil; 1 April 2016: ₹ 372.33 lacs). The loan has been repaid and hence guarantee been withdrawn.



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	For the year ended 31 March 2018	For the year ended 31 March 2017
40 Tax expense		
Income tax expense recognised in statement of profit and loss		
Current tax expense	-	(9.71)
Deferred tax	(24.07)	(64.19)
	<u>(24.07)</u>	<u>(73.90)</u>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 33.06% and the reported tax expense in profit or loss are as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Loss before tax	(127.41)	(275.66)
Income tax using the Company's domestic tax rate *	33.06%	33.06%
Expected tax expense [A]	(42.13)	(91.14)
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Non-deductible expenses/non-taxable income	19.30	26.95
Tax expense related to earlier years	-	(9.71)
Others	(1.24)	1.53
Total adjustments [B]	<u>18.06</u>	<u>17.24</u>
Actual tax expense [C=A+B]	<u>(24.07)</u>	<u>(73.90)</u>

* Domestic tax rate applicable to the Company has been computed as follows

Base tax rate	30%	30%
Surcharge (% of tax)	7%	7%
Cess (% of tax)	3%	3%
Applicable rate	33.06%	33.06%

41 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for long-term and short-term borrowings are:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current assets			
Inventories	2,949.07	2,258.04	1,793.94
Trade receivables	1,822.53	2,528.57	3,451.21
Cash and cash equivalents and other bank balances	1,195.09	180.26	231.55
Loans, other financial and other assets	1,422.66	853.12	1,321.55
Non-current assets			
Property, plant and equipment	3,480.23	3,114.11	2,616.27

42 Leases

The Company has entered into operating leases for its offices, factory, machinery and guest houses that are renewable on a periodic basis and are cancellable at Company's option. Total lease payments recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 86.05 lacs (31 March 2017: ₹ 96.14 lacs).



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43 Employee benefit obligations

Particulars	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	0.87	35.69	0.71	45.19	2.90	49.46
Compensated absences	1.28	29.26	5.49	43.89	2.67	48.25
Total	2.15	64.95	6.20	89.08	5.57	97.71

A Disclosure of gratuity

(i) Amount recognised in the statement of profit and loss is as under:

Description	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	7.76	9.42
Interest cost	3.56	3.93
Net impact on profit (before tax)	11.32	13.35
Actuarial loss/(gain) recognised during the year	(12.06)	4.74
Amount recognised in total comprehensive income	(0.74)	18.08

(ii) Change in the present value of obligation:

Description	For the year ended 31 March 2018	For the year ended 31 March 2017
Present value of defined benefit obligation as at the beginning of the year	45.90	52.35
Current service cost	7.76	9.42
Interest cost	3.56	3.93
Benefits paid	(8.60)	(24.54)
Actuarial loss/(gain)	(12.06)	4.74
Present value of defined benefit obligation as at the end of the year	36.56	45.90

(iii) Breakup of actuarial (gain)/loss:

Description	For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	(0.73)	2.39
Actuarial (gain)/loss from experience adjustment	(11.33)	2.35
Total actuarial (gain)/loss	(12.06)	4.74

(iv) Actuarial assumptions

Description	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 01 April 2016
Discount rate	7.75 % per annum	7.50 % per annum	8.00 % per annum
Rate of increase in compensation levels	6.00 % per annum	6.00 % per annum	6.00 % per annum
Expected rate of return on plan assets	0.00%	0.00%	0.00%
Retirement age	58 Years	58 Years	58 Years

Notes:

a) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

b) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(v) Sensitivity analysis for gratuity liability

Description	For the year ended 31 March 2018	For the year ended 31 March 2017
Impact of change in discount rate		
Present value of obligation at the end of the year		
- Impact due to increase of 1.00 %	32.53	40.66
- Impact due to decrease of 1.00 %	41.36	52.15
Impact of change in salary increase		
Present value of obligation at the end of the year		
- Impact due to increase of 0.50 %	41.40	52.18
- Impact due to decrease of 0.50 %	32.43	40.54

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹ lacs unless otherwise stated)

(vi) Maturity profile of defined benefit obligation

Description	For the year ended 31 March 2018	For the year ended 31 March 2017
Within next 12 months	1.03	3.80
Between 1-5 years	6.93	6.55
Beyond 5 years	38.80	46.18

(vii) The expected contribution to the plan for next annual reporting period amounts to ₹ 9.68 lacs (previous year - ₹ 11.25 lacs).

B Leave encashment

Amount recognised in the statement of profit and loss is as under:

Description	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	3.83	3.82
Interest cost	8.84	11.60
Actuarial loss/(gain) recognised during the year	(18.07)	5.50
Amount recognised in the statement of profit and loss	(5.40)	20.92



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45 Fair value disclosures

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are divided into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets measured at fair value - recurring fair value measurements

The Company does not have any financial instruments which are measured at fair value either through statement of profit and loss or through other comprehensive income.

(iii) Fair value of financial assets and liabilities measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2018		31 March 2017		01 April 2016	
		Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets							
Loans	Level 3	24.03	24.52	6.56	6.56	5.31	5.31

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- (ii) The fair values of the Company's fixed interest-bearing loans and receivables are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2018 was assessed to be insignificant.
- (iii) All the other long term borrowing facilities except vehicle loans (immaterial) availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

46 Financial risk management

(i) Financial instruments by category

Particulars	As at 31 March 2018			As at 31 March 2017			As at 01 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Loans	-	-	49.57	-	-	42.58	-	-	38.43
Trade receivables	-	-	1,822.53	-	-	2,528.57	-	-	3,451.21
Cash and cash equivalents	-	-	1,095.29	-	-	52.61	-	-	13.33
Other bank balances	-	-	99.80	-	-	127.65	-	-	218.22
Other financial assets	-	-	50.29	-	-	-	-	-	32.72
Total	-	-	3,117.48	-	-	2,751.41	-	-	3,753.91
Financial liabilities									
Borrowings	-	-	3,483.89	-	-	2,218.45	-	-	3,706.36
Trade payable	-	-	4,664.43	-	-	4,285.18	-	-	3,044.68
Other financial liabilities	-	-	902.42	-	-	529.19	-	-	548.69
Total	-	-	9,050.74	-	-	7,032.82	-	-	7,299.73

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

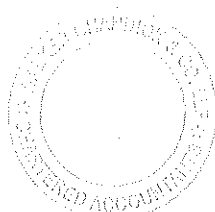
Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Long-term and Short-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks



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a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

Assets under credit risk –

Credit rating	Particulars	31 March 2018	31 March 2017	01 April 2016
A: Low	Loans	49.57	42.58	38.43
	Other financial assets	50.29	-	32.72
	Cash and cash equivalents	1,095.29	32.61	13.33
	Other bank balances	99.80	127.65	218.22
B: Medium	Trade receivables	1,822.53	2,528.57	3,451.21
C: High	Trade receivables	-	8.83	-

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Trade receivables

Company's major trade receivables are with credit worthy counterparties. Therefore, these trade receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach. The Company considers that trade receivables are not credit impaired as these are receivable from credit worthy counterparties.

Other financial assets measured at amortised cost

The Company provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	31 March 2018	31 March 2017	01 April 2016
- Expiring within one year (cash credit and other facilities)	-	350.00	-
- Expiring beyond one year (bank loans)	-	-	-
	-	350.00	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.



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b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2018	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings including interest	3,109.69	775.23	78.83	-	3,963.75
Trade payable	4,664.43	-	-	-	4,664.43
Other financial liabilities	638.19	-	-	-	638.19
Total	8,412.31	775.23	78.83	-	9,266.37

31 March 2017	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings including interest	2,091.66	268.75	18.01	-	2,378.42
Trade payable	4,285.18	-	-	-	4,285.18
Other financial liabilities	453.05	-	-	-	453.05
Total	6,829.89	268.75	18.01	-	7,116.65

01 April 2016	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings including interest	3,922.69	-	-	-	3,922.69
Trade payable	3,044.68	-	-	-	3,044.68
Other financial liabilities	345.76	-	-	-	345.76
Total	7,313.13	-	-	-	7,313.13

C) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

Foreign currency risk exposure in INR:

The Company exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

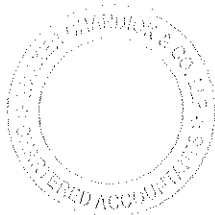
Particulars	31 March 2018	31 March 2017	01 April 2016
Financial assets			
Receivables	543.43	430.65	671.66
Financial liabilities			
Trade payables	(181.10)	(129.01)	(133.43)
Short term borrowings	(422.35)	(883.89)	(2,470.95)
Net exposure to foreign currency risk (liabilities)	(60.02)	(582.25)	(1,932.72)

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	31 March 2018	31 March 2017
USD sensitivity		
INR/USD- increase by 500 bps (31 March 2017 400 bps)*	(3.00)	(23.29)
INR/USD- decrease by 500 bps (31 March 2017 400 bps)*	3.00	23.29

* Holding all other variables constant



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PICL (India) Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amount in ₹ lacs unless otherwise stated)

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. The Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2018	31 March 2017	01 April 2016
Variable rate borrowing	3,736.81	2,276.95	3,906.36
Fixed rate borrowing	11.31	17.64	2.93
Total borrowings	3,748.12	2,294.59	3,909.29
Amount disclosed under other current financial liabilities	264.23	76.14	202.93
Amount disclosed under borrowings	3,483.89	2,218.45	3,706.36

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2018	31 March 2017
Interest sensitivity*		
Interest rates – increase by 100 bps (31 March 2017 100 bps)*	37.37	22.77
Interest rates – decrease by 100 bps (31 March 2017 100 bps)*	(37.37)	(22.77)

* Holding all other variables constant

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

47 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	31 March 2018	31 March 2017	01 April 2016
Total borrowings	993.76	312.32	202.93
Total equity	2,533.01	2,628.28	2,833.21
Net debt to equity ratio	0.39	0.12	0.07

The Company has not declared dividend in current year or previous year.



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48 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 01 April 2016 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS optional exemptions

Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

B Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01 April 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under Previous GAAP.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

C Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

(i) Reconciliation of total equity as at 31 March 2017 and 01 April 2016

	Notes	31 March 2017	01 April 2016
Total equity (shareholder's funds) as per Previous GAAP		2,662.31	2,868.71
Adjustments:			
Measurement of financial assets and liabilities initially at fair value and subsequently at amortised cost	1	6.75	0.38
Adjustment for prior period items	2	(5.52)	(1.34)
Tax effect of adjustments	4	(35.26)	(34.54)
Total adjustments		(34.03)	(35.50)
Total equity as per Ind AS		2,628.28	2,833.21

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2017

	Notes	31 March 2017
Profit after tax as per Previous GAAP		(206.40)
Adjustments:		
Measurement of financial assets and liabilities initially at fair value and subsequently at amortised cost	1	6.37
Adjustment for prior period items	2	(4.18)
Remeasurement of post-employment benefit obligations	3	4.74
Tax effect of adjustments	4	(2.29)
Total adjustments		4.64
Profit for the year ended 31 March 2017		(201.76)
Other comprehensive income		
Remeasurement of defined benefit obligations (net of tax)		(3.17)
Total comprehensive income for the year ended 31 March 2017		(204.93)

(iii) Impact of Ind AS adoption on the Statement of cash flows for the year ended 31 March 2017

The transition from previous GAAP to Ind AS has not made a material impact on the statement of cash flows.

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(iv) Reconciliation between previous GAAP and Ind AS for balance sheet as at 31 March 2017 and 01 April 2016:

Description	Notes	Previous GAAP as at 31 March 2017	Adjustments*	Ind AS as at 31 March 2017	Previous GAAP as at 1 April 2016	Adjustments*	Ind AS as at 1 April 2016
ASSETS							
Non-current assets							
Property, plant and equipment		3,114.11	-	3,114.11	2,616.27	-	2,616.27
Capital work-in-progress		171.05	-	171.05	467.34	-	467.34
Intangible assets		518.81	-	518.81	323.81	-	323.81
Intangible assets under development		273.31	-	273.31	328.19	-	328.19
Financial assets							
Loans	1	9.26	(2.70)	6.56	6.81	(1.50)	5.31
Income tax assets (net)		35.78	-	35.78	-	-	-
Other non-current assets		148.09	1.50	149.59	207.73	1.50	209.23
Total non-current assets		4,270.41	(1.20)	4,269.21	3,950.15	-	3,950.15
Current assets							
Inventories		2,258.04	-	2,258.04	1,793.94	-	1,793.94
Financial assets							
Trade receivables		2,528.57	-	2,528.57	3,451.21	-	3,451.21
Cash and cash equivalents		52.61	-	52.61	13.33	-	13.33
Other bank balances	1	125.20	2.45	127.65	196.57	21.65	218.22
Loans	1	34.82	1.20	36.02	33.12	-	33.12
Other financial assets	1	2.45	(2.45)	-	54.37	(21.65)	32.72
Other current assets	1	815.48	1.62	817.10	1,263.10	(7.39)	1,255.71
Total current assets		5,817.17	2.82	5,819.99	6,805.64	(7.39)	6,798.25
Total assets		10,087.58	1.62	10,089.20	10,755.79	(7.39)	10,748.40
EQUITY AND LIABILITIES							
Equity							
Equity share capital		364.21	-	364.21	364.21	-	364.21
Other equity		2,298.10	(34.03)	2,264.07	2,504.50	(35.50)	2,469.00
Total equity		2,662.31	(34.03)	2,628.28	2,868.71	(35.50)	2,833.21
Non-current liabilities							
Financial liabilities							
Borrowings	1	239.00	(2.82)	236.18	-	-	-
Provisions		89.08	-	89.08	97.71	-	97.71
Deferred tax liabilities (net)	4	136.35	35.26	171.61	202.83	34.54	237.37
Total non-current liabilities		464.43	32.44	496.87	300.54	34.54	335.08
Current liabilities							
Financial liabilities							
Borrowings	1	1,984.58	(2.31)	1,982.27	3,713.75	(7.39)	3,706.36
Trade payables		4,285.18	-	4,285.18	3,044.68	-	3,044.68
Other financial liabilities	1,2	523.67	5.52	529.19	547.73	0.96	548.69
Other current liabilities		39.35	-	39.35	36.59	-	36.59
Provisions		6.20	-	6.20	5.57	-	5.57
Current tax liabilities (net)		121.86	-	121.86	238.22	-	238.22
Total current liabilities		6,960.84	3.21	6,964.05	7,586.54	(6.43)	7,580.11
Total liabilities		7,425.27	35.65	7,460.92	7,887.08	28.11	7,915.19
Total equity and liabilities		10,087.58	1.62	10,089.20	10,755.79	(7.39)	10,748.40

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.



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(v) Reconciliation between previous GAAP and Ind AS for impact on statement of profit and loss for the year ended 31 March 2017:

Description	Notes	Previous GAAP	Adjustments	Ind AS
Revenue				
Revenue from operations		13,529.82	-	13,529.82
Other income		150.61	-	150.61
Total income		13,680.43	-	13,680.43
Expenses				
Cost of materials consumed		9,242.58	-	9,242.58
Changes in inventories of finished goods and work-in-progress		155.52	-	155.52
Excise duty		1,352.35	-	1,352.35
Employee benefits expense	3	571.48	(4.74)	566.74
Finance costs	1	483.27	3.51	486.78
Depreciation and amortisation expense		373.19	-	373.19
Other expenses	1,2	1,783.29	(4.36)	1,778.93
Prior period items	2	1.34	(1.34)	-
Total expenses		13,963.02	(6.93)	13,956.09
Profit before tax		(282.59)	6.93	(275.66)
Tax expense				
Current tax		(9.71)	-	(9.71)
Deferred tax	4	(66.48)	2.29	(64.19)
Net profit for the year		(206.40)	4.64	(201.76)
Other comprehensive loss				
Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plans	3	-	(4.74)	(4.74)
Income tax relating to these items	4	-	1.57	1.57
Other comprehensive loss for the year		-	(3.17)	(3.17)
Total comprehensive loss for the year		(206.40)	1.47	(204.93)

Note – 1

Measurement of financial assets and financial liabilities at amortised cost

Under previous GAAP, all financial assets and financial liabilities were carried at cost.

Under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost which involves the application of effective interest/amortisation cost method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the fair value of financial asset or financial liability on the date of recognition.

Note – 2

Prior period items

Under Indian GAAP, prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss. Under Ind AS, material prior period errors are corrected retrospectively.

Note – 3

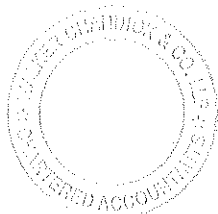
Remeasurement of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note – 4

Tax effect of adjustments

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also led to recognition of deferred taxes on new temporary differences.



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49 Corporate social responsibility expenses

In accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, an amount of 2% of the average net profits of the Company made during the three immediately preceding financial years needs to be spent on CSR projects/activities. At the board meeting held on 24 August 2017, the Board approved the CSR budget amounting of ₹12.36 lacs (31 March 2017: ₹ 14.00 lacs) on recommendation of CSR Committee to be spent in the financial year 2017-18. A sum of ₹ 12.77 lacs has been spent during the year ended 2017-18 on CSR activities as per the limits prescribed under Companies Act, 2013 and CSR Budget approved by the Board of Directors on recommendation made by CSR Committee.

Details of amount actually spent by the Company:

Particulars	Period	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	31-Mar-18	12.77	Nil	12.77
On purposes other than (i) above	31-Mar-18	-	Nil	-

50 Segment information

The Company is engaged in manufacture of white goods products. Basis the nature of Company's business and operations, the Company has one operating segment i.e. "manufacture of white goods products" for which information is reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance. Hence, the Company has only one reportable segment as per the requirements of Ind AS 108 – 'Operating Segments'. Majority of the revenue of Rs. 4,978.54 lacs (31 March 2017: Rs. 4,544.44 lacs) is derived from two external customers and the Company operates in one geography.

These are notes to accounts as referred to in our report of even date.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP
Chartered Accountants

Sumit Mahajan
Sumit Mahajan
Partner



For and on behalf of Board of Directors of
PICL (India) Private Limited

Daljit Singh
Daljit Singh
Managing Director
(DIN No.: 02023964)

Jasbir Singh
Jasbir Singh
Director
(DIN No.: 00259632)

Place: Gurugram
Date: 25 May 2018

Mania Sarkar
Mania Sarkar
Company Secretary
(Membership No. A30526)

Place: Gurugram
Date: 25 May 2018