BEARDSELL LIMITED
Regd. Office :
47, Greams Road,
CHENNAI - 600 006. (INDIA)
Tel : 2829 32 96, 2829 09 00
GSTIN : 33AAACB1429P2ZP
CIN No. : L65991TN1936PLC001428
E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in

Sec : September: 2019

27th September, 2019

The Listing Manager,
National Stock Exchange of India Limited,
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai-400 051

Scrip Code: BEARDSELL

The Listing Manager
BSE Limited
Registered Office : Floor 25
P J Towers, Dalal Street,
Mumbai – 400 001

Scrip Code: 539447

Dear Sir

Sub : Submission of 82nd Annual Report for the period 31st March., 2019 – Reg.

Please find attached our 82nd Annual report for the period ended 31st March, 2019 which was despatched to the shareholders on 7thSeptember, 2019

Kindly take on record the above submission

Thanking you,
Yours faithfully,
For BEARDSELL LIMITED

K Murali
Company Secretary

BEARDSELL LIMITED
CHENNAI
600 006

BEARDSELL LIMITED

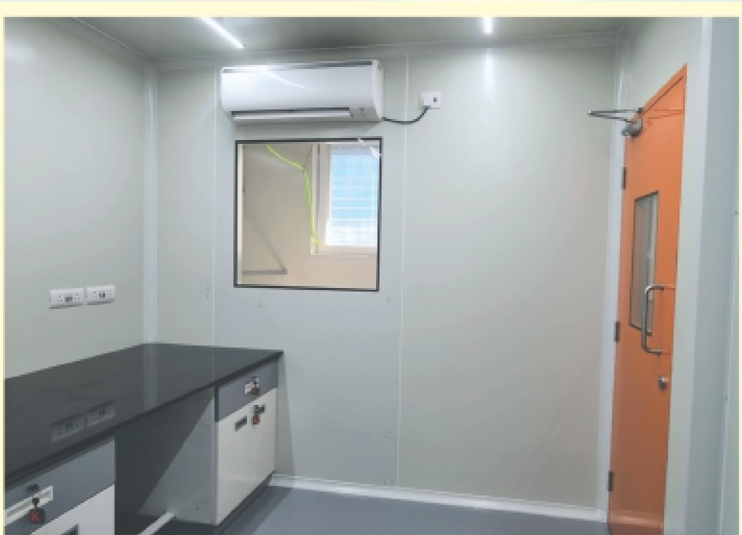
82nd Year

Eighty Second Annual Report & Accounts

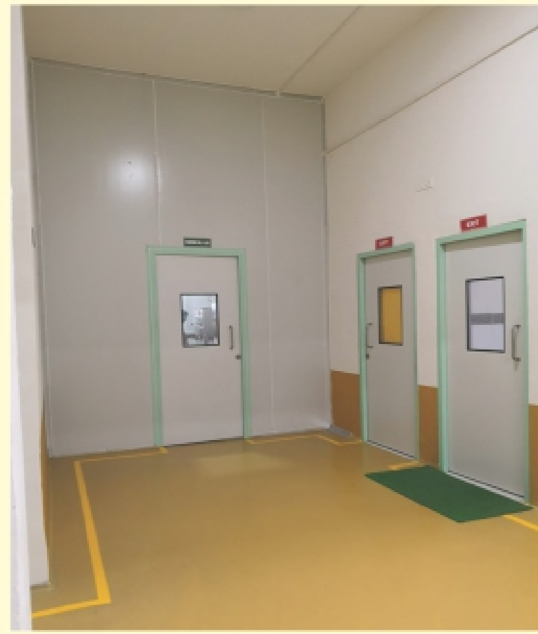
2018 - 2019

Avishkar Agro - Wai

Avishkar Agro - Wai



Shah Brothers - Bhiwandi



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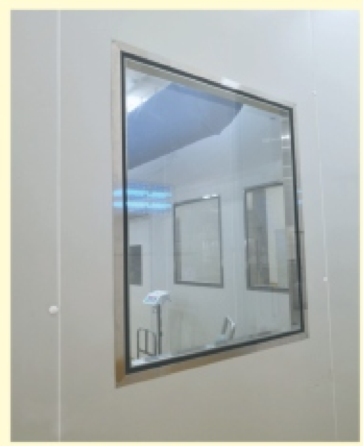

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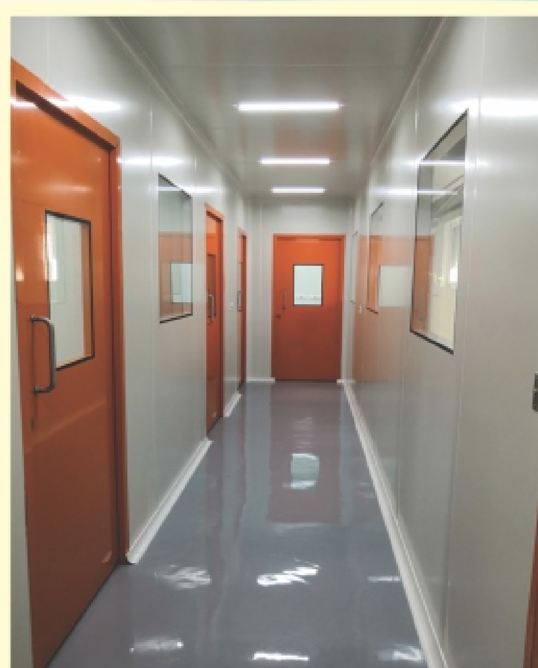

Shah Brothers - Bhiwandi

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Directors

Mr. R. Gowri Shanker - Chairman & Independent Director
Mr. Amrith Anumolu - Executive Director
Mr. V.J. Singh - Non Executive Independent Director
Mrs. Jayasree Anumolu - Non Executive Director
Mr. Gurram Jagannatha Reddy - Non Executive Independent Director

Chief Financial Officer

Mr. V.V. Sridharan

Company Secretary

Mr. K.Murali

Auditors

M/s. S.R.BATLIBOI & ASSOCIATES LLP,
Chartered Accountants (ICAI Firm registration number: 101049W/E300004)

Secretarial Auditor

M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries

Cost Auditor

Mr. M Krishnaswamy, Practicing Cost Accountant

Bankers

Bank of India

Registered Office

47, Graemes Road,
Chennai - 600 006
Phone : 044 - 2829 3296 / 2829 0900
CIN No. : L65991TN1936PLC001428
Fax : 044 - 2829 0391
E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in

NOTICE IS HEREBY GIVEN that the Eighty Second Annual General Meeting of the Company will be held on Monday, 30th September 2019 at 10.00 A.M at "Hindustan Chamber of Commerce, HC Kothari Memorial Hall, "GreamsDugar", South Wing, 5th Floor, 149 Greams Road, Chennai 600 006" to transact the following business:

AS ORDINARY BUSINESS :

1. **ADOPTION OF ACCOUNTS :**
   To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss account of the Company (Both Standalone and Consolidated)with the Schedules and Cash Flow Statement for the year ended 31st March, 2019 together with the Directors Report and the Auditors' Report thereon, be and are hereby approved and adopted."

2. **TO DECLARE A DIVIDEND**
   To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the recommendation of the Board of Directors, Dividend at the rate of Re.0.24 (12 percent) per share paid for the year ended 31st March, 2019 to those share holders whose name appeared in the Register of Members on 25th September 2019.

3. **APPOINTMENT OF DIRECTOR**
   To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Amrith Anumolu who retires by rotation and being eligible for reappointment be and is hereby appointed as a director of the Company."

4. **APPOINTMENT OF AUDITORS**
   To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Auditors of the Company, Messrs. S.R. Batliboi& Associates LLP, Chartered Accountants, Chennai (ICAI Registration Number of the firm is 101049W/E300004) who were appointed as Statutory Auditors to hold office for a period of five years till the conclusion of the 85th Annual General Meeting on a remuneration as the Board of Directors of the Company may determine, in addition to travelling and out of pocket expenses be and is hereby ratified".

AS SPECIAL BUSINESS
ORDINARY RESOLUTION

5. **TO ACCEPT / RENEW UNSECURED DEPOSITS FROM SHAREHOLDERS:**
   To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to section 73(2) read with Chapter V of the Companies (Acceptance of Deposits) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the Company be and is hereby authorized to accept / renew unsecured deposits from shareholders not exceeding 35% of the aggregate of the paid up capital and free reserves of the Company as per the latest audited accounts as of 31/03/2019 amounting to Rs.1409.29 lakhs including deposits outstanding as on the date of the issue of the Circular".

   "RESOLVED FURTHER THAT Mr.K.Murali, Company Secretary be and is hereby authorized to sign and file the necessary forms / documents with all statutory authorities to give effect to the above resolution".

6. **APPOINTMENT OF DIRECTOR**
   To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act 2013 and rules made thereunder, Dr. GurramJagannatha Reddy appointed as an Additional Independent Director by the Board of Directors on 28th June 2019 to hold office for five consecutive years upto 27th June 2024 be and is hereby approved."

7. **REDESIGNATION OF Mr. AMRITH ANUMOLU AS EXECUTIVE DIRECTOR AND REVISION IN REMUNERATION**

   To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Section 188, 196, 197, 198 and Schedule V and all other applicable provisions of the Companies Act, 2013, Mr. Amrith Anumolu be and is hereby redesignated as "Executive Director with effect from 20th May 2019 and revision in remuneration with effect from 1st June 2019".

   "RESOLVED FURTHER THAT Mr. Amrith Anumolu will be paid a remuneration as under:

   (a) Salary : Rs.1,50,000/- (rupees one lakh fifty thousand only) per month
   (b) Perquisites : Perquisites are classified into A, B and C as under:

CATEGORY - A

HOUSING

(a) The expenditure incurred by the Company on hiring unfurnished residential accommodation will be subject to a ceiling of 60% of the salary.
(b) Where accommodation in the Company owned house is provided, the Company shall deduct 20% of the salary of the Executive Director. Where ever the Company does not provide accommodation, House Rent Allowance shall be paid in accordance with (a) above.

GAS, ELECTRICITY AND WATER

Reimbursement of expenditure incurred on gas, electricity and water.

MEDICAL REIMBURSEMENT

Expenses incurred for the Executive Director and his family subject to a ceiling of one month salary in a year or three month salary over a period of three years.

LEAVE TRAVEL CONSESSION

For the Executive Director and his family, once in a year incurred in accordance with the Company rules.

CLUB FEES

Fees for clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

PERSONAL ACCIDENT INSURANCE

Premium not to exceed Rs.1000/- per month.

CATEGORY – B

Contribution to Provident Fund, Superannuation fund and Gratuity as per the Company rules.

CATEGORY – C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Executive Director.

The remuneration aforesaid including the benefits and amenities be paid and allowed as minimum remuneration for any year in the event of loss or inadequacy of profits though it exceed the limits prescribed in Section 197 of the Companies Act 2013.

"RESOLVED FURTHER THAT the aggregate of the above remuneration payable to the Executive Director will be Rs.36,00,000/- (Rupees Thirty Six Lakhs only) in a year which is inclusive of all perquisites, allowances and commission".

The Executive Director shall be liable to retire by rotation.

"RESOLVED FURTHER THAT the information provided above shall be treated as Abstract of contract of employment with the Executive Director under section 190 of the Companies Act 2013."

AS SPECIAL BUSINESS
SPECIAL RESOLUTION

8. REAPPOINTMENT OF Mr.V.J. SINGH AS INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149(4), 149(6), 149(7), 149(10) and 149(11) and other applicable provisions of the Companies Act 2013 Mr V J Singh be and is hereby reappointed as an Independent Director of the Company to hold office for a period of five years from 29th May 2019 to 28th May 2024".

AS SPECIAL BUSINESS
SPECIAL RESOLUTION

9. REAPPOINTMENT OF Mr.R. GOWRI SHANKER AS INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149(4), 149(6), 149(7), 149(10) and 149(11) and other applicable provisions of the Companies Act 2013 Mr R GowriShanker be and is hereby reappointed as an Independent Director of the Company to hold office for a period of five years from 29th May 2019 to 28th May 2024".

By Order of the Board

Chennai
28th June 2019

K. Murali
Company Secretary

NOTES

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business set out in Item no. 5,6, 7, 8, 9 and 10 annexed here to.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy or Proxies to attend and vote instead of himself and such Proxy or Proxies need not be a member or members of the Company. The Proxy form, duly signed, must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. Members who have exercised their vote through e-voting cannot vote at the meeting..
3. A Proxy form shall be in Form No.MGT11 of the Companies Act, 2013.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September 2019 to 30th September 2019 (both days inclusive).
6. Members are requested to intimate change, if any, in their address immediately.
7. Section 124 (5) of the Companies Act, 2013 mandates that Companies should transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per section 124 of the Act and the applicable rules.

The dividend for the years mentioned below, if unclaimed with in a period of seven years, will be transferred to IEPF in accordance with the following schedule.

S.No	Financial Year	Date of Declaration of Dividend	% of Dividend	Date of Transfer to unpaid Dividend Account	Date of Transfer to Central Government to Investor Education and Protection Fund
1	2011-2012	29/09/2012	10%	10/10/2012	08/11/2019
2	2012-2013	13/08/2013	10%	16/08/2013	14/09/2020
3	2013-2014	13/08/2014	10%	19/08/2014	17/09/2021
4	2014-2015	13/08/2015	10%	21/08/2015	20/08/2022
5	2015-2016	23/03/2016	12%	28/03/2016	26/03/2023
6	2016-2017	13/03/2017	15%	28/03/2017	26/03/2024
7	2017-2018	17/03/2018	12%	31/03/2018	30/03/2025

Members are informed that once the unpaid unclaimed dividend or the shares are transferred to IEPF, the same may be claimed by the Members from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Registered Office of the Company for verification of the claim.

8. Details of Directors seeking Re-appointment at the forthcoming Annual General Meeting pursuant to clause 49 of Listing Agreement

a	Name	Mr. Amrith Anumolu
b	Brief Resume	
	i Age	41 years
	ii Qualification	Master in Indl. Engg.
	iii Experience in Specific Functional Area	20 Years
	iv Date of Appointment on the Board of the Company (BEARDSELL LIMITED)	12/08/2010
c	Nature of Expertise in Specific Functional Area	Industrialist
d	Name(s) of other Companies in which Directorships held (as per section165 of the Companies Act, 2013)	NIL
e	Name(s) of Companies in which Committee Membership(s) / Chairman ship (s) Held	NIL
f	No. of Shares of Rs.2/- each held by the - Director	-
	- his Relatives	-
	- Total	-
g	Relationship between Directors inter se (As per Section 2 (77) of the Companies Act,2013)	Mrs. Jayasree Anumolu, Director

9. **Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.**

EXPLANATORY STATEMENT: Pursuant to Section 102 (1) of the Companies Act, 2013

ITEM NO.(5)

The special business relates to seeking members' approval for acceptance / renewal of unsecured deposits from shareholders. The Board of Directors, on 24th May 2019 has approved the acceptance / renewal of unsecured deposits from shareholders subject to your approval. The Circular in Form DPT-1 inviting / accepting unsecured deposits from shareholders along with the rating assigned for our Fixed Deposit Programme by ICRA Limited is annexed.

None of the Directors of the Company is interested or concerned in the above resolution. The purpose for accepting / renewing unsecured deposits from Members is to fund the Company's projects and also to augment the working capital needs of the Company.

ITEM No.(6)

The Special Business relates to seeking members' approval for regularization of appointment of Dr. Gurram Jagannatha Reddy appointed by the Board of Directors as Additional Independent Director for a consecutive period of five years from 28/06/2019 to 27/06/2024. An amount of Rs.1 lac has been received from a member in connection with his appointment and will be refunded once the members approve the appointment.

Dr Gurram Jagannatha Reddy is a Doctor by profession and is M.S (Gen.Surgery). He did his schooling at S V Public School, Horsley Hills, Chittoor and went to Loyola College at Vijayawada and did Medicine at Ranga Raya Medical College, Kakinada. After spending some time in UK, he joined as Senior Registrar at Vijaya Hospital, Vadapalani, Chennai. Since 1977 he is working as a Consultant at Vijaya Hospital, Chennai.

No other Director except Dr. Gurram Jagannatha Reddy is interested in the above resolution

ITEM No.(7)

The Special Business relates to change in designation of Mr.Amrith Anumolu from Joint Managing Director to Executive Director with effect from 20th May 2019 and down ward revision in his remuneration with effect from 1st June 2019. This was approved in the Nomination and Remuneration Committee meeting held on 20th May 2019 and subsequently approved by the Board of Directors on 24th May 2019.

Mr. Amrith Anumolu graduated his Bachelor of Science in Electrical Engineering from Virginia Tech and Masters Education in Industrial Engineering from Georgio Tech. After completing his education he worked in various positions for companies like Ericsson Inc and Panasonic Corp. His experience ranges from product design and development to business process re-engineering.

Mr. AmrithAnumolu is interested in this resolution.

No other Director expect Mrs. Anumolu Jayasree, relative of Mr. Amrith Anumolu is interested.

ITEM No.(8)

The Special Business relates to reappointment of Mr V.J. Singh as Independent Director.

Mr V.J. Singh was reappointed as an Independent Director by the Board of Directors in their meeting held on 24th May 2019 on the recommendation of the Nomination and Remuneration Commiittee at their meeting held on 20th May 2019 to hold office for a period of five years from 29th May 2019 to 28th May 2024 pursuant to provisions of Section 149(4), 149(6), 149(7), 149(10) and 149(11) and all other applicable provisions of the Companies Act 2013 subject to the approval of the shareholders in the ensuing Annual General Meeting.

Sri. V.J. Singh is an M.A in Economics from Madras University and he secured 7th Rank in the University at graduation level, holding the first class in B.A Economics which was a rarity in 1970s. Sri. V.J. Singh joined LIC as a Direct Recruit Officer in the year 1977.The important assignments he held were, Marketing Manager of Aurangabad Division, Sr. Divisional Manager of Tirunelveli Division and Regional Manager of the combined heaviest portfolio of Estates and Office Services of the Western Zone, Mumbai. Subsequently he held the post of Regional Manager (E&OS) of Southern Zone, Chennai. On his elevation to the cadre of Executive Director, he took charge as Principal, Southern Zonal Training Centre, Chennai.

Mr. V.J.Singh retired from the services of LIC of India in February 2012. He is associated with the Company as a Director from 2010 onwards.

No other Director except Mr. V.J. Singh is interested in the above resolution

ITEM No.(9)

The Special Business relates to reappointment of Mr. R. Gowri Shanker as Independent Director.

Mr. Gowri Shanker was reappointed as an Independent Director by the Board of Directors in their meeting held on 24th May 2019 on the recommendation of the Nomination and Remuneration Committee at their meeting held on 20th May 2019 to hold office for a period of five years from 29th May 2019 to 28th May 2024 pursuant to provisions of Section 149(4), 149(6), 149(7), 149(10) and 149(11) and all other applicable provisions of the Companies Act 2013 subject to the approval of the share holders in the ensuing Annual General Meeting.

Mr. Gowri Shanker is a well-qualified technical and entrepreneurial professional with a distinguished management career leading the technology and operations of multi-million dollar organizations. He holds M.S. Degree in e-commerce from Carnegie Mellon University, M.S. in Industrial Engineering from University of Texas, M.B.A from University of Chicago and B.Tech in Chemical Engineering from IIT, Madras. He has over 41 years' experience with Multinational Companies such as AT & T, Fedex & Holiday Inns in the US and has had leadership roles in several entrepreneurial ventures.

Mr. Gowri Shanker is associated with the Company as a Director from 2006 onwards.

No other Director except Mr. R. Gowri Shanker is interested in the above resolution.

ANNEXURE

FORM DPT-1

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS

{Pursuant to section 73(2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014}

1.		
a.	Name, address, website and other contacts of the Company	**BEARDSELL LIMITED** 47, Greams Road Chennai 600006. email: ho@beardsell.co.in web: www.beardsell.co.in
b.	DETAIL OF INCORPORATION	**23rd November, 1936**
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	The company is in the business of Manufacturing, Selling and Contracting activities in Expanded Polystyrene, Insulation and packaging material, Prefab Panels & Solar Shield, Quikbuild construction panels, marketing of Textiles, Electric Motors, Exports and Technical Consultancy Services.
	Subsidiary Company :	Sarovar Insulation (P) Ltd., (Manufacture & Trading of EPS Proudes)
	Manufacturing units	Chennai, Thane, Karad, Hyderabad, Malur and Hapur.
	Branches	Ahmedabad, Bangalore, Chennai, Coimbatore, Hyderabad, Kochi, Mumbai, New Delhi and Vizag.
d.	Brief particulars of the management of the company;	Company is Managed by Executive Director under direction, control and supervision of the Board of Directors of the Company.

e.	**Names, addresses, DIN and occupation of the DIRECTORS**			
	Name and Address	**Designation**	**Occupation**	**Din Number**
	Mr. Amrith Anumolu Plot No.12, Park View Enclave, Road No.2, Banjara Hills, Hyderabad - 500 034	Executive Director	Industrialist	03044661
	Mrs. Jayasree Anumolu Plot No.12, Park View Enclave, Road No.2, Banjara Hills, Hyderabad - 500 034	Director	Industrialist	00845666
	Mr. R Gowri Shanker 4/241 M G R Salai, Palavakkam Chennai - 600 041	Director	Industrialist	00104597
	Mr. V J Singh 1/4, Teppakula Street, Subramaniapuram, Palayamkottai, Thirunelveli - 627 002	Director	Retired from LIC	03129164
	Mr. Gurram Jagannatha Reddy House No.22, Old No.26, Anderson Road, Chennai - 600 006	Director	Doctor	07472109

f.	Management's perception of risk factors;	Fluctuating raw material prices can have negative impact on operations. Major raw materials are: (a) Expanded Polystyrene (a petroleum derivative): Increase in petroleum prices impacts this raw material price. (b) Steel: The upward trend in the global steel market has pushed up the price of steel, a major Component in Isobuild Prefab Panels.
g.	Details of default, including the amount involved, duration of default and present status, in repayment of - i) Statutory Dues	-
	ii) debentures and interest thereon;	-
	iii) loan from any bank or financial institution and interest thereon;	-

2.			
a.	Date of passing board resolution;	28th June, 2019	
b.	Date of passing of resolution in the general meeting authorizing the invitation of such deposits;	30th September, 2019	
c.	Type of deposits, i.e., whether secured or unsecured;	Unsecured Deposits	
			(Rs. In Lakhs)
		Public	Share Holders
d.	Amount which the company can raise by way of deposits as per the Act and the rules made there under;	NIL	1409.29
	Aggregate of deposits actually held on the last day immediately preceding financial year	0.54	339.93
	Aggregate of deposits actually held on the date of issue of Circular or advertisement (as on 31/03/2019)	0.54	339.93
	Amount of deposits proposed to be raised	-	500.00
	Amount of Deposits repayable in Next Twelve months	0.54	117.30
e.	Terms of raising of Deposits		

		PERIOD IN YEARS	Monthly Interest Scheme, Minimum Deposit Rs.10000/-	Quarterly Interest Scheme, Minimum Deposit Rs.5000/-	Cumulative Interest Scheme, Minimum Deposit Rs.5000/-	
	RATE OF INTEREST				**Maturity Value**	**Yield in %**
		1	9.75 %	9.83 %	Rs.5509/-	10.20 %
		2	10.25 %	10.34 %	Rs.6132/-	11.32 %
		3	10.50 %	10.59 %	Rs.6842/-	12.28 %

	Mode of payment and repayment	**Account Payee Cheque (or) Demand Draft**
f.	Proposed time schedule mentioning the date of opening of the Scheme and time period for which the circular or advertisement is valid	
	Date of opening of the scheme	1st October, 2019
	Validity of the circular or advertisement	Date of next AGM or 6 Months from the Close of Financial Year 2019 -2020

g.	Reasons or objects of raising the deposits;	The Purpose of Unsecured Loans from Members is to fund the Development of ongoing projects and Augment long term working capital needs of the Company.
h.	Credit rating Obtained;	
	Name of the Credit Rating Agencies	ICRA LIMITED
	Meaning of the rating obtained	"MB+(STABLE)"
	Date on which rating was obtained	1st April, 2019
i.	Extent of deposit insurance	Not Applicable – Beardsell Limited Undertakes to Provide necessary Insurance Coverage once the Product is available in the Market
	Terms of the insurance coverage	
	Duration of coverage	
	Extent of coverage	
	Procedure for claim in case of default etc.	
j.	Short particulars of the charge created or to be created for securing such deposits, if any;	NOT APPLICABLE – As the deposits are unsecured
k.	Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far it is different from the interest of other persons.	None of the Directors, Key Managerial Personnel and their relatives are concerned or interested

3	DETAILS OF ANY OUTSTATDING DEPOSITS	
	a. Amount Outstanding (as on 31/03/2019)	Rs. 3,40,47,000/-
	b. Date of Acceptance	At Different Dates
	c. Total Amount Accepted	Rs. 2,63,59,000/-
	d. Rate of Interest	AT DIFFERENT RATES
	e. Total of Number of Depositors	128 NOS
	f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved	NOT APPLICABLE
	g. Any waiver by depositors, of interest accrued on deposit	NOT APPLICABLE

4	FINANCIAL POSITION OF THE COMPANY		
	A . Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement		(Rs. In Lakhs)
	FOR THE YEAR ENDED	PROFIT / (LOSS) BEFORE TAX	PROFIT / (LOSS) AFTER TAX
	31-03-2017	1111.90	691.20
	31-03-2018	40.25	64.66
	31-03-2019	(46.81)	(68.25)

	B. Dividends Declared by the Company in Respect of the Said Three Financial Years : Interest Coverage Ratio for Last Three Years (Cash Profit After Tax Plus Interest Paid or Interest Paid)			
	FOR THE YEAR ENDED	DIVIDEND DECLARED (EQUITY) RS. IN LAKHS	DIVIDEND DECLARED (EQUITY) (%)	INTEREST COVERAGE RATIO
	31.03.2017	70.25	15 %	3.93
	31.03.2018 (INTERIM DIVIDEND)	67.44	12 %	1.11
	31.03.2019*	67.44	12 %	0.88

* Subject to the approval of share holders in the ensuing Annual General Meeting.

	C. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement (Rs. In Lakhs)			
	PARTICULARS	31.03.2019*	31.03.2018	31.03.2017
	A. EQUITY AND LIABILITIES			
	Equity	**4031.86**	4110.06	4108.72
	Non Current Liabilities	**1711.03**	1572.20	1765.79
	Current Liabilities	**5623.41**	5395.71	4745.83
	TOTAL EQUITY AND LIABILITES	**11366.30**	11077.97	10620.34
	B. ASSETS			
	Non – Current Assets	**4002.92**	4064.85	4374.95
	Current Assets	**7363.38**	7013.12	6245.39
	TOTAL ASSETS	**11366.30**	11077.97	10620.34
	D. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;			
	PARTICULARS	31.03.2019*	31.03.2018	31.03.2017
	Cash Flow From Operating Activities	**666.95**	(429.03)	516.12
	Cash Flow From Investing Activities	**(114.14)**	264.66	(9.21)
	Cash Flow From Financing Activities	**(388.24)**	151.20	(487.68)
	Net Increase / (Decrease) in Cash and Cash Equivalents	**164.57**	(13.17)	19.23
	E. Any change in accounting policies during the last three years and their effects on the profits and the reserves of the company;	There is no change in Accounting Policies in the last three preceding financial years		

* Subject to the approval of share holders in the ensuing Annual General Meeting.

5.	A DECLARATION BY THE DIRECTORS THAT -
	a) the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon;
	b) the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
	c) the company has complied with the provisions of the Act and the rules made there under;
	d) the compliance with the Act and the rules does not imply that repayments of deposits is guaranteed by the Central Government;
	e) the deposits accepted by the company before the commencement of the Act will be repaid along with interest on the respective due dates and until they are repaid, they shall be treated as unsecured &ranking pari passu with other unsecured liabilities.
	f) In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
	g) the deposits shall be used only for the purposes indicated in the circular or circular in the form of advertisement;
	h) the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.
	Note : The text of the Advertisement has been approved by the Board of Directors of the Company on 28th June, 2019. A Copy of this Advertisement signed by a majority of the Directors of the Company will be filed with the Registrar of Companies , Chennai 600 006, Tamil Nadu as required by the Companies (Acceptance of Deposits) Rules, 2014 as amended.

This Advertisement is issued on the Authoritiy and in the name of Board of Directors of the Company

(BY ORDER OF THE BOARD)

FOR BEARDSELL LIMITED,
K. MURALI
Company Secretary

Place : Chennai
Date : 28th June, 2019

Rules for Voting through Electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Eighty Second General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

The instructions for members for voting electronically are as under:

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.co.in
(ii) Click on "Shareholders" tab to cast your votes.
(iii) Now, select the Electronic Voting Sequence Number "EVSN" along with "BEARDSELL LIMITED" from the drop down menu and click on "SUBMIT"
(iv) if you are holding shares in Demat form and have already voted earlier on www.evotingindia.co.in for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
(v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL : 8 Character DP ID followed by 8 Digit Client ID	Folio Number registered with the Company.
	For CDSL : 16 Digits beneficiary ID	
PAN*	Enter your 10 digit alpha-numeric * PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat Shareholders as well as physical Shareholders) *Members who have not updated their PAN with the Company/Depository participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field in case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in capital letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.	
DOB#	Enter the date of birth as recorded in your Demat Account or in the Company records for the said Demat Account or folio in DD/MM/YYYY format.	
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your Demat Account or in the company records for the said Demat Account or folio. # Please enter DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / Folio No. in the Dividend Bank details field.	

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight Characters consisting of at least one upper case (A-Z), one lower case(a-z), one Numeric value (0-9) and a special character(@#$%&*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform.

(viii) Click on the relevant EVSN on which you choose to vote.

(ix) On the voting page, you will see Resolution Description and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the resolution.

(x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xi) After selecting the resolution you have decided to vote on, clickon "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on " CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xiv) Note for Non Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy of Notice of AGM (for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy):

a) Initial password as below is given in the attendance slip for the AGM.

Evsn**	User ID	Password
190830002	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
	(Folio No/DP Client ID)	(Existing Password or Pan No with Bank A/c.No. or DOB)

**(Electonic Voting Sequence Number)

b) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.

General

a) The voting period begins on **27th September, 2019 (9.00 AM) and ends on 29th September, 2019 (5.00 PM)** During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
b) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date is 24th September, 2019.
c) Mr. Rabindra Kumar Samal, Practising Company Secretary, Chennai has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
d) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
e) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.beardsell.co.in and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help Section or write an email to helpdesk.evoting@cdslindia.com.

REPORT OF BOARD OF DIRECTORS

Your Directors present the 82nd Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31.03.2019.

PERFORMANCE / OPERATIONS

FINANCIAL RESULTS

(Rs. In Lakhs)

	Year Ended 31.03.2019	Year Ended 31.03.2018
Gross Revenue	**17119.39**	15158.90
Profit before interest & Depreciation	**760.61**	802.96
Finance Cost	**477.15**	443.60
Profit before Depreciation	**283.46**	359.36
Depreciation	**330.27**	319.11
Profit / (LOSS) before tax	**(46.81)**	40.25
Profit / (LOSS) after taxation	**(68.25)**	64.66
Surplus in Statement of Profit & Loss Account from Last Year	**2502.26**	2466.44
Remeasurement gain / (Loss) on Defined Benefit obligation (Net)	**(9.95)**	17.85
Total Comprehensive Income / (Loss) for the year	**(78.20)**	82.51
Appropriations		
Dividend on Equity Shares	**-**	67.44
Tax on Dividend	**-**	13.73
Surplus carried to Balance Sheet	**2424.29**	2502.26

DIVIDEND:

The Board of Directors wishes to inform the shareholders that the Dividend at the rate of Re.0.24 (12 percent) per share is proposed to be paid as Dividend for the year ended 31st March, 2019 to those share holders whose name appears in the Register of Members on 25th September, 2019 subject to approval of share holders in the ensuing Annual General Meeting.

Consolidated Financial Statements

In accordance with the Indian Accounting Standard (Ind AS-21) on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the report: Nil

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future : Nil

Details in respect of adequacy of internal financial controls with reference to the Financial Statements: Adequate internal financial controls are in place and they are working effectively and efficiently.

Details of Associate Companies: Nil

DETAILS OF WHOLLY OWNED SUBSIDIARY

M/s. Sarovar Insulation Pvt Ltd a wholly owned Subsidiary of our Company with effect from 29/02/2016 is engaged in the manufacture and processing of EPS products at Coimbatore, Tamil Nadu.

Fixed Deposits

(a)	Accepted During the year	Rs. 2,63,59,000/-
(b)	Remained Unpaid or unclaimed as at the end of the year	Rs. 54,000/-
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	There was no default in repayment of deposits or payment of interest thereon.
(d)	At the beginning of the year Maximum during the year At the End of the year The details of Deposits which are not in compliance with the requirements of Chapter V of the Act	NIL NIL NIL NIL

Unsecured Loans form Directors

The company has accepted Un secured loans from the following Directors which is outstanding as on 31st March, 2019.

Rs. in Lakhs

S.No	Name of the Directors	Loan amount
1	Mrs. A. Jayasree	25.00
2	Mr. Amrith Anumolu	16.00
3	Mr. Bharat Anumolu	79.83
4	Mr. R. Gowrishanker	250.00
5	Mr. V.J. Singh	7.00
	Total	377.83

STATUTORY AUDITORS

Messrs. S.R. Batliboi & Associates, LLP, Chartered Accountants, Chennai (ICAI Registration Number of the firm is 101049W/E300004) were appointed as Statutory Auditors of our Company in our Eightieth Annual General Meeting held on 14th September 2017 and they hold office till the conclusion of our Eighty Fifth Annual General Meeting on a remuneration as the Board of Directors of the Company may determine, in addition to travelling and out of pocket expenses

INTERNAL AUDITORS

Messrs. M.R. Ravichandran & Co, Chartered Accountants, Chennai were appointed as Internal Auditors of the Company for the year 2019-20.

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

Information Under Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Directors Report for the year ended 31st March 2019.

Extract of the Annual Return
The Extract of the Annual Return is not annexed to this report and is available in our website www.beardsell.co.in as per notification effective from 31st July, 2018.

Research and Development, Technology Absorption and Conservation of Energy
The main focus of the Company's Research and Development effort is on Energy Conservation, process up gradation and environmental preservation.

Better utility of Resources, to minimize cost & wastage. Continuous efforts are on to reduce wastage in use of Power and Fuel.

DIRECTORS
VACATION OF OFFICE BY DIRECTOR
a) Mr Bharat Anumolu opted not to get reappointed as Managing Director with effect from 20th May 2019 and resigned his position as a Director on 3rd June 2019. The Board of Directors placed on record the valuable services rendered by him during his tenure as Managing Director and subsequently as Director.

b) Mrs. Vijayalakshmi Ravindranath resigned from the Board with effect from 26th November 2018. The Board of Directors placed on record the valuable services rendered by her during his tenure as Director.

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS
- Mr. Gurram Jagannatha Reddy was appointed as an Additional Independent Director to hold office for 5 consecutive years from 28th June 2019 to 27th June 2024 The appointment is subject to the approval and confirmation of the shareholders in the ensuing Annual General Meeting.
- Mr. V.J. Singh was reappointed as an Additional Independent Director to hold office for 5 consecutive years from 28th May 2019 to 27th May 2024 The appointment is subject to the approval and confirmation of the shareholders in the ensuing Annual General Meeting.
- Mr. R.Gowri Shanker was appointed as an Additional Independent Director to hold office for 5 consecutive years from 28th May 2019 to 27th May 2024 The appointment is subject to the approval and confirmation of the shareholders in the ensuing Annual General Meeting.
- Mr. Amrith Anumolu retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS:
The declaration by Independent Directors has been placed in our website www.beardsell.co.in

FORMAL ANNUAL EVALUATION:
The Board members and the Committee members performed their functions as required by the Companies Act 2013 and as per the regulatory framework of Securities and Exchange Board of India. The Company has received the annual evaluation report from the Directors.

The Board of Directors individually and as a whole has been formally evaluated by the Independent Directors at their meeting held on 8th March 2019.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year 2018-19 Six Board Meetings were held on 28/05/2018, 06/08/2018, 29/09/2018, 10/11/2018, 26/11/2018 and 13/02/2019.

AUDIT COMMITTEE:
During the financial year 2018-19 Four Audit Committee Meetings were held on 28/05/2018, 06/08/2018, 10/11/2018 and 13/02/2019.

Composition and Attendance record of the members of the Committee is as under:

S.No	Member	No. of meetings attended
1	Mr. Bharat Anumolu	3
2	Mr. V.J. Singh	4
3	Mrs. Vijayalakshmi Ravindranath	2
4	Mr. R. Gowri Shanker	3
5	Mr. Amrith Anumolu	1

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES
The Company has established a vigil mechanism for directors and employees to report genuine concerns and the same is hosted in our website www.beardsell.co.in.

CORPORATE SOCIAL RESPONSIBILITY REPORTING (CSR)
CSR Reporting forms part of this Report.
During the financial year 2018-19 one Committee meeting was held on 26/11/2018.

S.No	Member	Designation	No. of meetings attended
1	Mr. Bharat Anumolu	Managing Director	1
2	Mr. Jayasree Anumolu	Non-Executive Director	1
3	Mrs. Vijayalakshmi Ravindranath	Independent Director	1

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013:
(i) Loans : NIL
(ii) Guarantees : Nil
(iii) Investments : 27449 shares purchased at Rs.11.99 per share amounting to Rs.3,29,000/- in Frontline Power Corporation Limited.

SECRETARIAL AUDIT REPORT:
A Secretarial Audit Report given by Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai is annexed to this report.

Your company has appointed Mr. Rabindra Kumar Samal, Practicing Company Secretaries, Chennai (CP No.18278 / FCS No.7649) as Secretarial Auditor for the financial year 2019-20.

PRACTICING COMPANY SECRETARIES CERTIFICATE ON CORPORATE GOVERNANCE:
Mr. Rabindra Kumar Samal, Practicing Company Secretary, Chennai, have given a certificate regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed to this report

RISK MANAGEMENT POLICY:
The Company has developed and implemented a risk management policy including identification therein the elements of risk which in the opinion of the Board may threaten the existence of the company.

COST AUDIT
Your company has appointed Mr. M. Krishnaswamy, Practicing Cost Accountant, Chennai (FCMA No.5944) as Cost Auditor for the financial year 2019-20 with the consent of the Central Government for the Audit of Cost Accounts maintained by the Company.

EMPLOYEE RELATIONS
The relations between the employees and management continued to be cordial during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:
As required by Sec. 134 (3) [c] of the Companies Act, 2013, your Directors further report that:

I In preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
II The Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2019 and of the Profit of the Company for financial year ended 31st March, 2019;
III The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
IV The Directors have prepared the Annual Accounts on a going concern basis.
V The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
VI The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY OF THE COMPANY
The remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been hosted in our website www.beardsell.co.in

CORPORATE GOVERNANCE
Your Directors report that your Company has been fully compliant with the SEBI ICDR Regulations on Corporate Governance, which have been incorporated in Clause 49 of the Listing Agreement. A detailed report on this forms part of Annexure.

ACKNOWLEDGEMENT
Your Directors gratefully acknowledge the continued support received from the Bankers, Principals/Suppliers, Customers and Employees.

For and on behalf of the Board

Amrith Anumolu
Executive Director

Chennai
June 28, 2019

V.J. Singh
Director

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Form No. AOC-2: (Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014).

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

Details of contracts or arrangements or transactions not at arm's length basis	:	Nil
Details of material contracts or arrangements or transactions at arm's length basis:	:	
1) Name of the related party and nature of relationship	:	**Gunnam Subba Rao Insulation Pvt Ltd.,**
i. Nature of contracts/arrangements/transactions	:	Lease of land and buildings to Beardsell Ltd
ii. Duration of contracts/arrangements/transactions	:	On Going
		Rs. In Lakhs
iii. Salient terms of contract including value	:	Lease Rentals 48.00 per Annum
iv. Date of Approval if any	:	24th May 2018
v. Amount Paid as advances if any	:	NIL

Details of contracts or arrangements or transactions not at arm's length basis	:	Nil
Details of material contracts or arrangements or transactions at arm's length basis:	:	
1) Name of the related party and nature of relationship	:	**Korean Painting and Plating Private Limited**
i. Nature of contracts/arrangements/transactions	:	Lease of open space of land by Beardsell Ltd
ii. Duration of contracts/arrangements/transactions	:	On Going
		Rs. In Lakhs
iii. Salient terms of contract including value	:	Lease Rentals 2.38 per Annum
iv. Date of Approval if any	:	10th November 2018
v. Amount Paid as advances if any	:	NIL

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

BOARD'S REPORT FOR THE YEAR ENDED 31/03/2019
PARTICULARS OF EMPLOYEES:

(A) Information as per Section 197 (12) read with Rule 5 (1) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

(i) The ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio
Mr. Bharat Anumolu	22.67
Mr. Amrith Anumolu	13.90
Mrs. Jayasree Anumolu	*
Mr. R. Gowri Shanker	*
Mr. V.J. Singh	*
Mrs. Vijayalakshmi Ravindranath	*

The median remuneration of the employees of the company during the Financial Year 2018-19 was Rs.3,35,752/-

(*) The sitting fees received by the non-executive Independent Directors was less than the median remuneration of employee and hence the ratio is not provided.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year:

Name of the Director	Designation	% of increase in Remuneration
Mr. Bharat Anumolu	Managing Director	#
Mr. Amrith Anumolu	Jt. Managing Director	#
Mrs. Vijayalakshmi Ravindranath	Independent Director	#
Mr. R.Gowri Shanker	Independent Director	#
Mr. V.J. Singh	Independent Director	#
Mrs. Jayasree Anumolu	Non-Executive Director	#
Mr. V.V. Sridharan	Chief Financial Officer	-
Mr. K.Murali	Company Secretary	-

(#) The remuneration to non-executive Independent Directors / Wholetime Directors comprises of sitting fees for attending the Board / Committee meetings. The actual payment of sitting fee is based on the number of meetings attended by the Directors. In view of the aforesaid facts, the calculation of percentage increase in remuneration would not be meaningful and hence not provided.

The percentage increase in the remuneration of Chief Financial Officer and Company Secretary in the financial year: NIL

(iii) The percentage increase in the median remuneration of employees in the financial year: NIL

(iv) The number of permanent employees on the rolls of the company: 279

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL

(vi) Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

(B) Information as per section 197 (12) read with Rule 5 (2) and 5(3) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

(i) None of the employee was in receipt of remuneration for the financial year 2018-19, which, in aggregate, was not less than sixty lakh rupees other than the Managing Director; and

(ii) None of the employee who was employed for a part of the financial year 2018-19 was in receipt of remuneration for any part of the financial year 2018-19, at a rate, which, in the aggregate, was not less than five lakh rupees per month.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Industry Structure & Development

The prefab building elements manufactured by your Company finds applications in cold Storages, Food Processing Plants, Pharmaceuticals and Roofing applications. Expanded Polystyrene has varied applications in insulation and packaging. SteilWallz panels finds applications in construction of low cost housing.

Your Company also undertakes Contracts with in-house/outsourced materials.

Outlook on Opportunities and Threat

With increased industrial construction and retail business activities and Government of India's thrust and encouraging policies on cold storages with latest technologies for Improving post harvest infrastructure, there is likely to be increase in demand for your Company's products.

Fluctuating raw material prices can have negative impact on operations. Major raw materials are:

a) Expanded Polystyrene (a petroleum derivative): Increase in petroleum prices impacts this raw material price.

b) Steel: The upward trend in the global steel market has pushed up the price of steel, A major component in isobuild Prefab Panels.

Segment Wise Performance

Insulation division which comprises manufacture of EPS Products/ Prefab Panels and related Contracting activities earned a revenue of Rs 14828.00 Lakhs 87.42% of the total revenue.

Trading and other Segments which comprises Motors and Exports earned a revenue of Rs.2134.00 Lakhs 12.58 % of the total revenue.

Internal Control System

Your Company has an effective internal Control System and this is periodically reviewed for effectiveness. The Board of Directors have constituted on Audit Committee.

The Audit Committee reviews the Internal Audit reports and their observations at regular intervals.

Material Development in Human Resources

Your Company believes that human resources are the main assets of the Company. And the Company's Policy is framed in this direction.

ANNEXURE
REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY :

The Company strives towards ensuring transparency and professionalism in all decisions and spheres of operation, achieving excellence in Corporate Governance by confirming to the prevalent mandatory guidelines on Corporate Governance and to enhance shareholder value through sound business decisions driving the organisation forward without undue restraints along with prudent framework of accountability and financial management.

2. BOARD OF DIRECTORS

a) Composition

The information on Composition of the Board, Directors Attendance at the Board Meetings held during the year and at the last Annual General Meeting, Directorships and Committee position held in other Companies are as under:

Name of Director	Category	Attendance in Previous AGM held on 29/09/2018	Attendance in Board Meetings	No. of Directorships held in Other Public Limited Companies		Committee position held in other Companies	
				Director	Chairman	Member	Chairman
Mr. Bharat Anumolu*	Managing Director, Promoter	Present	6	Nil	Nil	Nil	Nil
Mrs. Vijayalakshmi Ravindranath**	Non-Executive Independent	-	2	Nil	Nil	Nil	Nil
Mr. R. Gowrishanker	Non-Executive Independent	-	4	Nil	Nil	Nil	Nil
Mr. Amrith Anumolu	Jt. Managing Director, Promoter	-	5	Nil	Nil	Nil	Nil
Mr. V.J. Singh	Non-Executive Independent	Present	6	Nil	Nil	Nil	Nil
Mrs. Jayasree Anumolu	Non-Executive, Promoter	-	5	Nil	Nil	Nil	Nil

* Mr. Bharat Anumolu resigned on 03/06/2019
** Mrs. Vijayalakshmi Ravindranath resigned on 26/11/2018

b) Number of Board Meetings held during the year and dates of Meeting:

During the Financial Year 2018-2019, six Board Meetings were held on 28/05/2018, 06/08/2018, 29/09/2018, 10/11/2018, 26/11/2018 and 13/02/2019.

3. AUDIT COMMITTEE

I Terms of Reference

The role, terms of reference and authority and powers of this committee are in conformity with the Listing Agreement. The essential functions of the committee include review of systems and procedures, overseeing the functioning of internal audit, the effectiveness of controls and regulatory compliances. It also reviews with management, Company's financial statements, and financial reporting process, disclosure of financial information and observations of auditors before submission to the Board. It recommends the appointment of statutory auditors and their fees.

II Composition and attendance
Audit Committee Meeting

During the financial year 2018-19 Four Audit Committee Meetings were held on 28/05/2018, 06/08/2018, 10/11/2018, and 13/02/2019.

Composition and Attendance record of the members of the Committee is as under:

Sl. No	Member	Designation	No. of meetings attended
1	Mr. Bharat Anumolu*	Managing Director	3
2	Mr. R. Gowri Shanker	Independent Director	3
3	Mr. V. J. Singh	Independent Director	4
4	Mrs. Vijayalakshmi Ravindranath**	Independent Director	2
5	Mr. Amirth Anumolu	Joint Managing Director	1

* Mr. Bhrarat Anumolu resigned on 03/06/2019
** Mrs. Vijayalakshmi Ravindranath resigned on 26/11/2018

4. NOMINATION AND REMUNERATION COMMITTEE

The Company is having a Nomination and Remuneration Committee in line with the amended Listing Agreement, which is responsible for all matters concerning appointment and recommending the remuneration payable to Directors. The Committee comprises Mr. V. J. Singh, Mr. R. Gowri Shanker and Mrs. A. Jayasree.

a) SITTING FEES PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2018-2019

(Rs. In Lakhs)

Sl. No	Directors	Sitting Fees
1	Mr. R.Gowri Shanker	1.20
2	Mr. V.J.Singh	1.65
3	Mrs. Vijayalakshmi Ravindranath	0.75
4	Mr. Bharat Anumolu	1.50
5	Mr. Amrith Anumolu	0.90
6	Mrs. Jayasree Anumolu	0.90
	T O T A L	**6.90**

b) REMUNERATION PAID TO WHOLE TIME DIRECTORS

(Rs. in Lakhs)

Sl. No	Name	Salary	Perquisites and Allowances	Commission to be paid*	Contribution to Provident Fund and Super Annuation Funds	Total
1	Mr. Bharat Anumolu	57.60	8.80	-	9.72	76.12
2	Mr. Amrith Anumolu	38.40	1.78	-	6.48	46.66
	Total	**96.00**	**10.58**	**-**	**16.20**	**122.78**

* Considering the lower profits no commission paid for whole time directors for the year 2018-19

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CSR COMMITTEE COMPRISES OF THE FOLLOWING DIRECTORS :

S.No	Member	Designation	No. of meetings attended
1	Mr Bharat Anumolu	Managing Director	1
2	Mr. Jayasree Anumolu	Non-Executive Director	1
3	Mrs. Vijayalakshmi Ravindranath	Independent Director	1
4	Mr. V.J.Singh	Independent Director	-

* Mr. Bhrarat Anumolu resigned on 03/06/2019

** Mrs. Vijayalakshmi Ravindranath resigned on 26/11/2018

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company is having a Stakeholders Relationship Committee in line with the amended Listing Agreement, which is responsible for all matters concerning the share transfers, transmissions, issue of duplicate Share Certificates and redressal of Investor's Grievances. The Committee comprises Mr. R. Gowri Shanker, Mr. V.J. Singh and Mr. Amrith Anumolu.

Mr. K. Murali, Company Secretary, is the Compliance Officer.

Details of number of complaints received and redressed during the year are given below:

Opening Balance	Received during the Financial Year 2018-19	Resolved during the Financial Year 2018-19	Closing Balance
NIL	NIL	NIL	NIL

7. ANNUAL GENERAL MEETINGS

i) Details of the last three Annual General Meetings of the Company are given below:

Financial Year	AGM	Location	Date	Time
2017-18	81st	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	29/09/2018	10.00 A.M.
2016-17	80th	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	14/09/2017	10.00 A.M.
2015-16	79th	Narada Gana Sabha, 314, TTK Salai, Chennai-600018	12/08/2016	10.00 A.M.

ii) Special Resolution passed in the three Annual General Meeting:

Year	Date	Special Resolution Considered
2017-2018	29/09/2018	-
2016-2017	14/09/2017	2
2015-2016	12/08/2016	-

8. Prevention of Insider Trading

The Company has framed a Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors / officers (including Statutory Auditors) / designated employees. The code ensures the prevention of dealing in Company's shares by persons having access to unpublished price sensitive information and available on our Company's website **www.beardsell.co.in**

9. DISCLOSURE

a) There were no materially significant related party transactions with Directors/promoters/management which had potential conflict with the interests of the Company at large.

b) Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large were placed before the Board.

c) The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

d) During the year, under review, the Company has not raised any funds from public issue, rights issue or preferential issue.

e) During the year, there were no strictures or penalties imposed on the Company either by Stock Exchanges or by SEBI or any statutory authority for non-compliance on any matter related to capital markets.

f) Vigil Mechanism Policy and affirmation that no personnel have been denied to the Audit Committee:
The Company has established a Vigil Mechanism Policy. No personnel have been denied access to the Audit Committee.

10. CODE OF CONDUCT

The Board has laid-down a “Code of Conduct” (Code) for all the Board members and the senior management of the Company and the Code is posted on the website of the Company www.beardsell.co.in. Annual declaration regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Executive Director is forming part of this report.

11. COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended June 30, 2018, September 30, 2018, December 31, 2018 and March 31, 2019.

The Practicing Company Secretaries have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements with the stock exchanges. The said certificate is annexed to this

Report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamilnadu, Chennai, along with the Annual Report.

12. CEO/CFO CERTIFICATION

The Board has received certificate from Executive Director and Chief Financial Officer that they have discharged the obligations under the Corporate Governance Guideline prescribed by SEBI.

13. MEANS OF COMMUNICATION

In compliance with the requirements of Listing Agreements, Company regularly submits un-audited as well as audited financial results to the Stock Exchange. These financial results are normally published in Trinity Mirror English and Makkal Kural Tamil.

14. GENERAL SHARE HOLDERS INFORMATION

a) General Body Meeting

The 82nd Annual General Meeting of the Company will be held on Monday, the 30th September, 2019 at 10.00 A.M. at Hindustan Chamber of Commerce, HC Kothari Memorial Hall, 'Greams Dugar', South wing, 5th Floor, 149, Greames Road, Chennai - 600 006.

b) Financial Calendar

The Next Financial Year covers the period from 1st April, 2019 to 31st March, 2020.

Results for the Period	Expected date of Completion
First Quarter	August, 2019
Second Quarter & Half-Yearly	November, 2019
Third Quarter	February, 2020
Fourth Quarter	May, 2020

c) Date of Book Closure

25th September, 2019 to 30th September, 2019 (both days inclusive).

d) Dividend on Equity Shares : @ Re.0.24 per Share (12 percent)

Payment Date : Payable on or before 29th October, 2019

e) (i) Shareholding Pattern as on 31st March, 2019

	Category	No. of Shares Holders	No. of Shares Held	Percentage Of Share Holding
A	Promoter And Promoters Holding			
	a. Individuals	3	16695262	59.42
	b. Central Government and State Government	-	-	-
	c. Bodies Corporate	2	4339393	15.44
	d. Foreign Promoters	-	-	-
	Total Share Holding of Promoter And Promoters Group	**5**	**21034655**	**74.86**
B	Public Share Holding			
	1. INSTITUTIONS			
	a. Mutual Funds	-	-	-
	b. Venture Capital Funds	-	-	-
	c. Alternative Investment Funds			
	d. Foreign Venture Capital Investors	-	-	-
	e. Foreign Portfolio Investors	-	-	-
	f. Financial Institutions / banks	6	24240	0.09
	g. Insurance Companies	-	-	-
	h. Provident Funds / Pension Funds	-	-	-
	i. Any other			
	j. Market Maker	-	-	-
	SUBTOTAL (B) (1)	**6**	**24240**	**0.09**
	2. Central Government / State Government President of India	1	108000	0.38
	SUBTOTAL (B) (2)	**1**	**108000**	**0.38**

	Category	No. of Shares Holders	No. of Shares Held	Percentage Of Share Holding
	3. NON INSTITUTIONS			
	a. INDIVIDUALS			
	I. Individual Share holders holding Nominal Share Capital up to Rs.2.00 Lakhs	5540	3752122	13.36
	II. Individual Share holders holding Nominal Share Capital in excess of Rs.2.00 Lakhs	13	2279307	8.11
	b. NBFCs Registered with RBI	-	-	-
	c. EMPLOYEE TRUSTS	-	-	-
	d. Overseas Depositories (holding DRs) (balancing figure)	-	-	-
	e. ANY OTHER	-	-	-
	Bodies Corporates	73	685809	2.44
	Clearing Members	7	12628	0.04
	Foreign Nationals	-	-	-
	Hindu Undivided Families	143	143934	0.51
	Non Resident Indians-non-Repat	18	10488	0.04
	Non Resident Indians-Repat	39	47825	.017
	Trust	-	-	-
	SUBTOTAL (B) (3)	**5833**	**6932113**	**24.67**
	TOTAL = B(1)+B(2)+B(3)	**5840**	**7064353**	**25.14**
	GRAND TOTAL	**5845**	**28099008**	**100.00**

(ii) DISTRIBUTION OF HOLDINGS AS ON 31ST MARCH, 2019

No. of Shares	Shareholders		Share Amount	
	Nos.	% Total Number of Shares	In Rs.	% to Total Share Amount
Up to 5000	5710	97.69	5681536	10.11
5001 to 10000	73	1.25	1006426	1.79
10001 to 20000	29	0.50	807172	1.44
20001 to 30000	9	0.15	461198	0.82
30001 to 40000	2	0.03	139560	0.25
40001 to 50000	1	0.02	90000	0.16
50001 to 100000	8	0.14	1067414	1.90
100001 & above	13	0.22	46944710	83.53
TOTAL	**5845**	**100.00**	**56198016**	**100.00**

f) Share Transfer Systems

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of the Company's shares. The ISIN No., allotted is INE520H01022. Members now have the option to hold their shares in demat form either through the NSDL or CDSL.

g) Dematerialisation of Shares as on 31st March, 2019 - 25577120 shares (91.02%) have been dematerialised.

h) Registrar and Share Transfer Agents

Cameo Corporate Services Limited, Chennai is the Registrar and Share Transfer Agent of the Company.

Address of the Share Transfer Agent:

The General Manager
M/s Cameo Corporate Services Limited
Subramanian Building,
No. 1, Club House Road,
Chennai 600 002.
Tel: (044) 28460390-91
e-mail: cameo@cameoindia.com

i) Listing On Stock Exchange

The shares of the Company are listed in National Stock Exchange of India Limited (NSE) and BSE Limited. Listing fees has been paid up-to-date.

Stock Code in NSE: "BEARDSELL" .
SCRIP Code in BSE: "539447"

j) Market Price Data:

Monthly High / Low & Closing Prices during each month in the financial year 2018-2019.

	NATIONAL STOCK EXCHANGE OF INDIA LIMITED				BSE LIMITED			
Month	High Rs.	Low Rs.	Closing Rs.	Volume Traded Nos	High Rs.	Low Rs.	Closing Rs.	Volume Traded Nos
April 2018	56.75	47.65	52.00	38390	66.50	49.70	51.90	11042
May 2018	52.05	41.25	41.25	53907	54.00	41.00	42.00	14118
June 2018	45.90	32.30	36.95	64352	45.15	30.15	37.95	11329
July 2018	44.80	34.40	40.00	93019	44.50	33.00	37.50	32943
August 2018	43.95	34.00	35.05	73129	44.95	32.00	36.55	13201
September 2018	41.95	28.00	29.25	108522	41.00	30.00	30.65	18077
October 2018	32.00	22.40	25.00	62654	33.45	22.00	25.45	25268
November 2018	27.00	23.00	26.40	60334	29.90	22.00	27.45	15951
December 2018	27.50	23.00	26.55	138372	32.10	23.00	25.65	40019
January 2019	27.95	16.30	16.85	131263	27.25	15.50	19.15	17441
February 2019	18.90	14.10	15.00	83967	19.75	14.00	15.50	20616
March 2019	16.40	14.50	15.05	115323	17.80	13.80	14.70	46563

k) Address For Correspondence

Registered Office:
Secretarial Department
BEARDSELL LTD
47, Greams Road, Tel: (044) 28293296
Chennai-600006 Email: ho@beardsell.co.in

l) Company Plant Locations :

- D-40, TTC Industrial Area, Thane Belapur Road, Turbhe P.O. Navi Mumbai - 400 705, Maharashtra.
- S.No.154/1-B, Govindamedu Village, Killachery (P.O & Panchayat) Mappedu, Thiruvallur District - 631 402, Tamil Nadu.
- 466E/470, Bonthapally Village, Gummadidala (M) Sanga Reddy District - 502 313, Telangana.
- B-113/1,M.I.DC, Tasawade, P.O.Umbaraj, Karad, Taluka Karad, District, Satara Maharashtra - 415 019.

m) e-mail ID for redressal of investor complaints:

An e-mail id has been created for Redressal grievance division / Compliance officer exclusively for the purpose of registering the complaints of the investors. Investors may send their complaints to igrc@beardsell.co.in

COMPLIANCE

Company has obtained a certificate from Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement which is attached to this report.

For and on behalf of the Board

Amrith Anumolu
Executive Director

Chennai
June 28, 2019

V.J. Singh
Director

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and the projects or programs and the composition of the CSR Committee	The Company's focus on CSR is towards providing quality education for needy and poor children
2	Average Net Profit of the Company for the last three years	Rs. 555.17 Lacs
3	Prescribed CSR expenditure (two percent of the amount mentioned in item 2 above)	Rs. 11.10 Lacs
4	Details of CSR spend during the financial year Total amount to be spent for the financial year	Rs. 22.30 Lacs
5	Amount actually spent	Rs. 22.30 Lacs
6	Manner in which amount spent during the financial year	Details given below

S.No.	CSR Project or Activity Identified	Sector in which the project is covered	Area Where programme undertaken	Amount of Outlay (Rs in Lacs)	Amount Spent (Rs. in Lacs)	Cumulative expenditure upto the reporting period (FY 2018-19)	Amount Spent Direct or implementing agency
1	Seva Bharathi	Promotion of education	Hyderabad	4.20	4.20	4.20	Implementing Agency
2	Sewa International	Promotion of education	New Delhi	0.40	0.40	0.40	Implementing Agency
3	Vision India Foundation	Promotion of education	New Delhi	2.40	2.40	2.40	Implementing Agency
4	Sri Saraswathi Vidhya Peedham	Promotion of education	Hyderabad	4.80	4.80	4.80	Implementing Agency
5	VisvahithaSeva Trust	Promotion of education	Hyderabad	5.00	5.00	5.00	Implementing Agency
6	Madras Dyslexa Association	Children Health Care	Chennai	0.50	0.50	0.50	Implementing Agency
7	Jeevani Waste Management		Hyderabad	5.00	5.00	5.00	Implementing Agency
	Total			**22.30**	**22.30**	**22.30**	

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility and Governance (CSR&G) Committee of the Board of Directors of the Company is reproduced below:

“The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the company"

V.J. Singh
Independent Director

Amrith Anumolu
Executive Director

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To the Members
BEARDSELL LIMITED
47, GREAMS ROAD,
CHENNAI – 600 006

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8th February, 2019 (Regulation 24A of SEBI(LODR)).

(a) all the documents and records made available to us and explanation provided by Beardsell Limited ("the Listed Entity"),
(b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
(c) website of the listed entity,
(d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by Beardsell Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:

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

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

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

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(c) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;

We hereby report that
a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder
b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
c. There were no actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder.

We have also examined the compliance with the applicable clauses of the following:
(i) The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
(ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

In our opinion and as identified and informed by the Management, the Company has adequate systems to monitor and ensure compliance (including the process of renewal/fresh/pending applications with Government Authorities), the following laws are specifically applicable to the Company.

1. Indian Boilers Act, 1923 and Rules made thereunder
2. The Petroleum Act, 1934 and Rules and Regulations made thereunder
3. Hazardous waste (Management, Handling and Transboundary Movement) Rules, 2008
4. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
5. Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder
6. Environment (Protection) Act, 1986 and Rules made thereunder
7. Legal Metrology Act, 2009 and Rules made thereunder

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above, except the following:

1. The Company has not strictly complied with SS-1 and SS-2.
2. The company has not complied with Provisions of Section 125 of Companies, Act 2013, relating filing of returns of dividend with ROC.
3. The Company has disclosed as per IND AS requirement, both the Independent Directors Under Related Party Transactions as they have financial transactions and the company is yet to obtain declaration under section 149 (6) (c) and place it on the board, Since the Company's management is of the opinion that such transaction will not fall under section 188 which take away transactions in the ordinary course of business at arm's length price from the purview of related party transactions, an ID will not be said to have 'pecuniary relationship' under section 149(6)(c) vide General Circular No.14/2014 dated 9th June 2014 Hence the same is not disclosed in AOC-2 for the year 2014-2018 under arm length transactions.

We further report that there were no actions/events in the pursuance of

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
6. Foreign Exchange Management Act, 1999 and the Rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, in our opinion, adequate systems and control mechanism exist in the Company to monitor and ensure compliance with other applicable general laws including Human Resources and Labor laws.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated profession

We further report that

The company is constituted with balance of Executive Directors, Non-Executive Directors and Independent Directors Subject to the Point no.3 above in general observations relating to both the Independent Directors. The changes in the composition of the Board of Directors that took during the period under review were carried out in compliance with the provisions of the Act.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings whether carried out in adequate majority or unanimous could not be commented by us as there was no recordings in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. Resignation of Independent Director Mrs. Vijaylakshmi Ravindranath.

For **LAKSHMMI SUBRAMANIAN & ASSOCIATES**

Lakshmmi Subramanian
Senior Partner
FCS No. 3534
C.P.NO. 1087

Chennai
June 28, 2019

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

The Members
BEARDSELL LIMITED
47, Greames Road
Chennai - 600 006

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES
Lakshmmi Subramanian
Senior Partner
FCS No. 3534
C.P.NO. 1087

Chennai
June 28, 2019

Independent Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended

The Members of Beardsell Limited

1. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2019 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Our Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports and Certification of Corporate Governance, issued by the Institute of Company Secretaries of India ("ICSI"). The Guidance Note on Reports requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Company Secretaries of India.

6. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company

7. Summary of key procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on March 31, 2019 and verified that atleast one woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2018 to March 31, 2019:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM);
      (d) Nomination and Remuneration Committee;
      (e) Stakeholders Relationship Committee;
      (f) Independent Directors;
   v. Obtained necessary declarations from directors of the Company.
   vi. Obtained and read the policy adopted by the Company for related party transactions.
   vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
   viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2019.

10. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Rabindra Kumar Samal
Practicing Company Secretary
Membership Number: FCS 7649
CP No.: 18278

Chennai
June 28, 2019

Declaration on Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company. The same is available on the website of the Company as www.beardsell.co.in. As Executive Director of Beardsell Limited and as required by Clause 49 (1D) of the Listing Agreement of the Stock Exchanges in India, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the Financial Year 2018 -2019.

Chennai
June 28, 2019

Amrith Anumolu
Executive Director

TEN YEAR RECORD

(Rs. in Lakhs)

	Year ended 31st March									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	**2019**
Income	5811.50	7972.62	9643.04	9609.92	10704.20	13202.42	15122.88	18060.02	15158.90	**17119.39**
Profit before Depreciation	552.30	625.70	514.22	685.26	424.88	299.28	835.68	1449.02	359.36	**283.46**
Depreciation	73.79	104.59	163.48	179.33	222.52	304.50	322.33	337.12	319.11	**330.27**
Taxation - Current	110.00	140.00	116.00	121.65	4.70	0.00	155.00	412.00	18.57	**22.58**
- Deferred	48.48	51.99	(0.51)	90.23	68.54	4.61	29.82	8.70	(42.98)	**(1.14)**
Profit / (Loss) after Tax	320.03	329.12	235.25	294.05	129.12	(9.83)	328.53	691.20	64.66	**(68.25)**
Dividend	-	-	46.83	46.83	46.83	46.83	56.20	70.25	67.44	**-**
Tax on Dividend	-	-	7.61	7.96	7.96	9.53	11.44	14.30	13.73	**-**
Retained Funds	320.03	329.12	180.81	239.26	74.33	(66.19)	260.89	606.65	(16.51)	**(68.25)**
Share Capital	383.32	383.32	468.32	468.32	468.32	468.32	468.32	468.32	561.98	**561.98**
Earnings per Share (Rs.)	8.35	8.59	5.02	6.28	2.76	(0.21)	7.02	2.46	0.23	**(0.24)**
Net Worth	1974.16	2540.89	3011.70	3250.96	3325.29	3253.32	3514.21	4108.72	4110.06	**4031.86**
Book Value per Share (Rs.)	51.50	66.29	64.31	69.42	71.00	69.47	75.04	17.55	14.63	**14.35**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Beardsell Limited ("the Company"), which comprise the Balance sheet as at March 31,2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS Financial Statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Appropriateness of timing of Revenue recognition</u> (as described in Note 2.2.i of the Standalone Ind AS financial statements)</td></tr>
<tr><td>The Company has several streams of revenue from multiple locations geographically spread across India and it currently has a decentralized accounting system. Revenue from each stream is recognized based on the accounting policies disclosed in the note 2.2.i to the Ind AS financial statements.

As part of our overall response to the risk of fraud, when identifying and assessing the risks of material misstatement due to fraud, we evaluate the revenue transactions that might give rise to potential fraud risks. In this Company, Bonus payouts are often determined based on the metrices of each location which gives an incentive for the management at each location to inflate the revenue for the year. Hence, we consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year end, as such transactions could be advanced by management.

In view of the above discussed matters, appropriateness of timing of revenue recognition has been considered as a key audit matter.</td><td>In order to address the risk of misstatement related to timing of revenue recognition, our audit response included:

• We have read and assessed that the accounting policy for recognition of revenue from each stream is in compliance with Ind AS 115
• We performed walkthroughs of all significant revenue process across all segments in each location, to gain an understanding of revenue recognition process (including revenue recognition requirements under Ind AS 115) which included controls in the process addressing the relevant risks.
• We have assessed the design and operating effectiveness of these controls implemented by management in the revenue process through test of key controls during the audit year.
• We have tested a sample of contracts with customers across the segments throughout the audit period to evaluate compliance with the requirements of Ind AS 115 by way of identification of timing of revenue recognition for such contracts.
• We performed sample tests of individual sales transactions and traced to supporting documents including sales invoices or sales contracts and purchase orders issued by customers (as applicable) to determine the point of revenue recognition for different shipment arrangements and agreements with customers.
• We performed analytical reviews of disaggregated data of revenue transactions during the audit period to identify any unusual trends warranting additional audit procedures.
• We performed location wise testing for sales made near the reporting date to assess timing of revenue recognition by testing shipping records, sales invoices etc., for sample transactions.
• We read confirmations from key customers whichever received and compared the receivable balance in books of accounts to receivable balance as given in the confirmation. We obtained and tested the reconciliation of balances as per books and confirmation of balances provided by such customers.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Existence of Inventories</u> (as described in Note 2.2.h of the Standalone Ind AS financial statements)</td></tr>
<tr><td>Total Inventory of Rs.999.94 lakhs represents 8.80% of total assets of the Company as at March 31, 2019. Inventory is held across 6 factories and 9 branches as at the reporting date. Considering the number of locations and the level of inventory held across its factories and branches, as well as the physical verification of inventory at these locations on different dates, the risk of existence of such inventory and the identification of non-moving, obsolete / damaged inventory is a significant area of audit importance. Accordingly, the above issue has been considered as a key audit matter.</td><td>Our audit response consisted of audit procedures including:

• Testing the relevant internal controls, including in specific the testing of the inventory physical verification process that is performed monthly by management at various locations.
• We have observed the physical verification of Inventory conducted by management in certain significant locations selected by us. Our procedures in this regard included
- Observing compliance of stock count instructions by management personnel; observing steps taken by management to ascertain the existence of inventory on the date of the count (including identification of non-moving, obsolete / damaged inventory),
- perform independent inventory counts on sample basis and reconciled the same to the management counts (wherever applicable), and
- tested the reconciliation of the differences in inventory quantity between the physical count and the books of accounts.
• We performed analytical reviews of disaggregated data of purchases and inventory during the audit period to identify any unusual trends warranting additional audit procedures.
• We tested sample of purchase and sales transactions for timing of purchases and sales made near the reporting date to assess whether transactions are recorded in the correct period by testing shipping records, sales / purchase invoices etc., for sample transactions.
• We tested whether the adjustments to bring down the cost of inventory items to their net realisable value and allowance for slow moving or non-moving inventory and obsolescence at the reporting date is appropriate by assessing the methodology and assumptions adopted by management in this regard including the related adjustments by testing a sample of inventory items as at the reporting date.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Ind AS Financial Statements

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

In preparing the Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2019and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1"a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

   (h) 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 has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 45(c) to the Standalone Ind AS Financial Statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi& Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934

Place of Signature: Chennai
Date: May 24, 2019

Annexure 1 referred to under paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Auditors' Report

Re: Beardsell Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are pledged with the bank and not available with the Company. The same has been independently confirmed by the bank.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with, except for delay in filing return of public deposits with registrar as required under rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 (as amended). We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or any other Tribunal.

(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 section 148(1) of the Companies Act, 2013, related to the manufacture of Plastics and Polymers, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, cess and other statutory dues although there have been slight delay in few cases in respect of employees' state insurance and income-tax. With respect to the undisputed goods and services tax, the dues have not been regularly deposited and there have been serious delays in large number of cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)*	Period to which the amount relates	Forum where Dispute is pending
Sales Tax Acts of various States	Sales Tax - Local	1.05	1995-96, 2000-01, 2001-02 2003-04.	Deputy Commissioner, Assistant Commissioner and other appellate authorities
Central Sales Tax Act, 1956	Central Sales Tax	686.31	1995-96, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2016-17	High Court, Deputy Commissioner and Commercial Tax Officer of various states

* Net of Rs.0.74 Lakhs sales tax and Rs.56.15 lakhs central sales tax paid under protest.

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to a bank during the year. The Company has not made any borrowings from the government and financial institution and has not issued any debentures during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi& Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath NS
Partner
Membership Number: 210934

Place of Signature: Chennai
Date: May 24, 2019

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

We have audited the internal financial controls over financial reporting of Beardsell Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi& Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

per Bharath NS
Partner
Membership Number: 210934

Place of Signature: Chennai
Date: May 24, 2019

Standalone Balance Sheet as at March 31, 2019

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
			(Rs. in Lakhs)
ASSETS			
Non current assets			
Property, plant and equipment	3a	3,391.27	3,532.62
Capital work in progress	3a	101.86	66.03
Intangible assets	3b	10.50	-
Intangible assets under development	3b	84.40	69.25
Financial assets			
Investments in subsidiaries	4	21.12	21.12
Investments in controlled entity	4	112.15	112.15
Other investments	4	50.78	47.81
Loans	5	6.57	11.29
Trade receivables	6	34.01	17.74
Others	7	102.50	105.82
Non-current tax assets (net)	8	87.42	62.13
Other non-current assets	9	0.34	18.89
		4,002.92	**4,064.85**
Current assets			
Inventories	10	999.94	946.88
Financial assets			
Trade receivables	11	4,502.73	4,161.26
Cash and cash equivalents	12	292.30	127.73
Bank balances other than above	13	299.68	328.75
Loans	14	38.73	46.91
Others	15	66.01	73.77
Other current assets	16	1,163.99	1,327.82
		7,363.38	**7,013.12**
Total assets		**11,366.30**	**11,077.97**
EQUITY and LIABILITIES			
Equity			
Equity share capital	17	561.98	561.98
Other equity	18	3,469.88	3,548.08
Total equity		**4,031.86**	**4,110.06**
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	19	1,449.53	1,308.91
Other financial liabilities	20	2.03	3.98
Provisions	21	76.65	75.35
Deferred tax liabilities (net)	22	182.82	183.96
		1,711.03	**1,572.20**
Current liabilities			
Financial liabilities			
Borrowings	23	1,971.19	2,055.78
Trade payables	24		
Total outstanding dues of micro, small and medium enterprises		-	-
Total outstanding dues of creditors other than micro, small and medium enterprises		2,728.88	2,503.67
Other financial liabilities	25	257.10	330.12
Other current liabilities	26	608.05	438.54
Provisions	27	58.19	67.60
		5,623.41	**5,395.71**
Total equity and liabilities		**11,366.30**	**11,077.97**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Bharath N S
Partner
Membership no.: 210934

Place : Chennai
Date : May 24, 2019

For and on behalf of the Board of Directors
Beardsell Limited

Amrith Anumolu
Joint Managing Director
DIN : 03044661

V J Singh
Director
DIN : 03129164

V V Sridharan
Chief Financial Officer

K Murali
Company Secretary

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
		(Rs. in Lakhs)	
INCOME			
Revenue from contracts with customers	28	16,962.19	15,053.77
Other Income	29	138.30	76.85
Finance Income	30	18.90	28.28
Total Income		**17,119.39**	**15,158.90**
Expenses			
Cost of materials consumed	31	10,265.80	9,348.85
Purchase of traded goods	32	1,910.46	880.37
Changes in inventories of finished goods, work-in-progress and traded goods	33	(10.05)	(69.51)
Excise duty on sale of goods	28	-	286.42
Employee benefits expense	34	1,659.72	1,645.50
Finance costs	35	477.15	443.60
Depreciation and amortisation expense	36	330.27	319.11
Other expenses	37	2,532.85	2,509.06
Total expenses		**17,166.20**	**15,363.40**
Profit/(loss) before exceptional items and tax		**(46.81)**	**(204.50)**
Exceptional items	38	**-**	**244.75**
Profit/(loss) before tax		**(46.81)**	**40.25**
Tax Expense	41		
Current tax		22.58	18.57
Deferred tax		(1.14)	(42.98)
Total tax expense		**(21.44)**	**(24.41)**
Profit/(loss) for the year		**(68.25)**	**64.66**
Other comprehensive income (OCI)	39		
Items not to be reclassified to profit or loss in subsequent periods:			
Gain/(loss) on FVTOCI financial assets		(0.32)	8.01
Income tax effect		0.09	(2.49)
Re-measurement gains / (losses) on defined benefit plans		(13.46)	17.39
Income tax effect		3.74	(5.06)
Other comprehensive income/(loss) for the year, net of tax		**(9.95)**	**17.85**
Total comprehensive income/(loss) for the year		**(78.20)**	**82.51**
Earnings Per Equity Share Rs. 2/- each fully paid (March 31, 2018: Rs. 2/- each fully paid)	40		
Computed on the basis of total profit/(loss) for the year			
Basic (Rs.)		(0.24)	0.23
Diluted (Rs.)		(0.24)	0.23

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

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	March 31, 2019	March 31, 2018
	(Rs. in Lakhs)	
Cash flows used in / from operating activities		
Profit/(loss) before exceptional items and tax	(46.81)	(204.50)
Adjustments for:		
Depreciation and amortisation expense	330.27	319.11
Loss/ (gain) on sale of property, plant and equipment (net)	(0.95)	(8.35)
Dividend income	(0.02)	(0.01)
Finance income	(18.90)	(28.28)
Allowance for credit loss	7.93	22.11
Share of profit/(loss) from partnership firm	(104.28)	18.63
Finance costs	477.15	443.60
Net loss/ (gain) on foreign exchange fluctuations (unrealised)	20.58	9.38
Operating profit before Working Capital changes	**664.97**	**571.69**
Movement in working capital:		
(Increase) / Decrease in inventories	(53.06)	(79.54)
(Increase) / Decrease in current and non-current trade receivables	(365.67)	(560.82)
(Increase) / Decrease in financial and non-financial assets	42.52	(2.92)
(Increase) / Decrease in other assets	163.83	(98.03)
(Decrease) / Increase in trade payables	204.63	(126.68)
(Decrease) / Increase in financial, non-financial liabilities and provisions	53.77	92.50
Cash generated from operations	**701.99**	**(203.80)**
Income tax paid	(44.04)	(225.23)
Net cash flows (used in) / from operating activities (A)	**666.95**	**(429.03)**
Cash flows (used in) / from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(258.10)	(561.90)
Proceeds from sale of property, plant and equipment	8.65	879.60
Deposits made during the year	15.39	(50.57)
Share of (gain) / loss of partnership firm	104.28	(18.63)
Purchase of Investments	(3.29)	(12.99)
Dividends received	0.02	0.01
Finance income received	18.91	29.14
Net cash flows (used in) / from investing activities (B)	**(114.14)**	**264.66**

	March 31, 2019	March 31, 2018
	(Rs. in Lakhs)	
Net cash flows (used in) / from financing activities		
Repayment of long - term borrowings (net)	140.62	(157.75)
Proceeds from short - term borrowings (net)	(69.00)	832.14
Dividend paid	13.68	(83.64)
Finance cost paid	(473.54)	(439.55)
Net cash flows (used in) /from financing activities (C)	**(388.24)**	**151.20**
Net decrease in cash and cash equivalents (A+B+C)	164.57	(13.17)
Cash and cash equivalents at the beginning of the year	127.73	140.90
Cash and cash equivalents at the year end	**292.30**	**127.73**
Components of cash and cash equivalents:		
Cash on hand	2.67	2.18
Cheques / drafts on hand	14.08	45.13
Balances with banks		
On current accounts	274.86	79.67
In deposits with original maturity of less than three months	0.69	0.75
Total cash and cash equivalents	**292.30**	**127.73**

The accompanying notes are an integral part of the financial statements.
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Chief Financial Officer

K Murali
Company Secretary

a. Equity Share Capital
Equity Shares of Rs.2/- Each (March 31, 2018: Rs.2/- each) subscribed and fully paid up

	Number of shares	Rs. In Lakhs
As at April 01, 2017	**4,683,168**	**468.32**
Sub-division of nominal value of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each. (Refer note 17.5 (a))	18,732,672	-
4,683,168 bonus shares issued in the ratio of 1 equity share of Rs.2/- each for every 5 existing equity shares of Rs.2/- each. (Refer note 17.5 (b))	4,683,168	93.66
At March 31, 2018	**28,099,008**	**561.98**
Increase/(decrease) during the year	-	-
At March 31, 2019	**28,099,008**	**561.98**

b. Other Equity

Particulars	Reserves and surplus			Items of OCI	Total
	Securities premium	General Reserve	Surplus in Profit and loss	FVTOCI reserve	
As at April 01, 2017	**649.31**	**484.61**	2,506.44	0.04	3,640.40
Profit for the year	-	-	64.66	-	64.66
Other Comprehensive Income	-	-	-	17.85	17.85
Re-measurement gain/(loss) on Defined Benefit obligations (net) transferred to Retained Earnings	-	-	12.33	(12.33)	-
Total Comprehensive Income	**649.31**	**484.61**	**2,583.43**	**5.56**	**3,722.91**
Transferred from retained earnings	(93.66)	-	-	-	(93.66)
Interim dividend and tax thereon	-	-	(81.17)	-	(81.17)
As at March 31, 2018	**555.65**	**484.61**	**2,502.26**	**5.56**	**3,548.08**
Profit for the year	-	-	**(68.25)**	-	(68.25)
Other Comprehensive Income	-	-	-	(9.95)	(9.95)
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred to Retained Earnings	-	-	**(9.72)**	9.72	-
Total Comprehensive Income	**555.65**	**484.61**	**2,424.29**	**5.33**	**3,469.88**
Interim dividend and tax thereon	-	-	-		-
As at March 31, 2019	**555.65**	**484.61**	**2,424.29**	**5.33**	**3,469.88**

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Bharath N S
Partner
Membership no.: 210934

Place : Chennai
Date : May 24, 2019

For and on behalf of the Board of Directors
Beardsell Limited

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DIN : 03044661

V J Singh
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V V Sridharan
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K Murali
Company Secretary

1. Corporate information

Beardsell Limited ("the Company") is a prominent manufacturer and supplier of Expanded Polystyrene products, popularly known as thermocole and Prefabricated Buildings that have wide industrial applications. The company also undertakes erection, commissioning and maintenance works in the field of hot and cold insulation solutions. The company has major manufacturing facilities in Thane, Chennai, Hyderabad and Karad and branches with geographical spread across India. In addition, the company has trading operations in domestic and international market.

These standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 24, 2019.

2. Significant accounting policies

2.1. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at fair value (refer accounting policy regarding financial instruments)
The Standalone financial statements are presented in INR and all values are rounded off to the nearest lakh, except when otherwise indicated.

2.2. Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realised or intended to sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
Based on the nature of products/activities, the Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but excludes duties and taxes that are recoverable from tax authorities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably

Material replacement cost is capitalized provided (a) it is probable that future economic benefits associated with the item will flow to the entity and (b) the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced in derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has becomes available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

c) Investment properties

Investment property represents property held to earn rentals or for capital appreciation or both.
Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition Criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation of investment property has been provided on the straight-line method over a period as prescribed in Schedule II to the Companies Act, 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.
Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

d) Intangible assets

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.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

e) Depreciation and amortisation

Depreciation & amortization is provided using the Straight-Line Method as per the useful lives of the assets estimated by the management:

Asset description	Useful Lives (Years)
Investment property	
Plant & Machinery	5 -15
Building	30 - 60
Property, plant and equipment	
Plant & Machinery	5 - 15
Building	30 - 60
Computers	3
Vehicles	8 - 10
Office Equipment	5
Furniture and fittings	5 - 10

Leasehold assets are amortised using the straight-line method over the remainder of primary lease period.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Finance lease income is allocated to accounting periods so as to reflect a constant periodicrate of return on the net investment outstanding in respect of the lease.

g) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment including impairment on inventories, are recognized in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Inventories

Raw materials and stores & spare parts are valued at lower of weighted average cost and estimated net realisable value. Cost includes freight, taxes and duties and is net of credit under GST, VAT, CENVAT scheme, where applicable.
Work-in-progress and finished goods are valued at lower of weighted average cost and estimated net realisable value. Cost includes all direct costs and appropriate proportion of overheads to bring the goods to the present location and condition.

Due allowance is made for slow/non-moving items. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

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

Cost of traded goods 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.

i) Revenue from contracts with customers and Other income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

However, Goods and Service tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition Criteria described below must also be met before revenue is recognised.

I. Sale of products/ goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customers. The normal credit term is in the range of 30 to 90 days upon delivery except for some customers who are on advance payment terms. Revenue from 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.

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

ii. Service Income

Revenue from rendering of services is recognized with reference to the stage of completion determined based on estimate of work performed, and when the outcome of the transaction can be estimated reliably.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Cost to obtain a contract

The Company pays sales commission to agents for obtaining the contract. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions because the amortisation period of the asset that the Company otherwise would have used is one year or less.

iii. Interest income

Revenue is recognised on a time proportion basis using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

iv. Dividend income

Dividend income is accounted for when the right to receive it is established.

v. Rental Income

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

j) Foreign currency transactions

The financial statements are presented in Indian Rupees, which is the functional currency of the Company.

Initial recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date the transaction first qualifies for the recognition.

Measurement as at Balance Sheet date: Foreign currency monetary items of the Company outstanding at the Balance Sheet date are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Treatment of Exchange Differences: Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in profit or loss.

k) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy from the Government relates to an expense item, it is recognised as income on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs, which they are intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

l) Research and development

Revenue expenditure on research and development is expensed when incurred. Capital expenditure on research and development is capitalised under Property, Plant and Equipment and depreciated in accordance with the entity's accounting policy on depreciation.

m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. There are no other obligations other than the contribution payable to the respective fund.
Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences, which are expected to occur within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats compensated absences expected not to occur within twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

n) Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax Credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax Credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is estimated based on historical experience and technical estimates. The estimate of such warranty-related costs is reviewed annually.

p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

q) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

r) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of Borrowing Costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

s) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or
ii. In the absence of a principal market, in the most advantageous market for the asset or liability
iii. The principal or the most advantageous market must be accessible by the Company.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>Financial assets</u>

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
ii. 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's standalone balance sheet) when:

i. The rights to receive cash flows from the asset have expired, or
ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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 on the following financial assets and Credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
ii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in Credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets, the Company determines that whether there has been a significant increase in the Credit risk since initial recognition. If Credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if Credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, Credit quality of the instrument improves such that there is no longer a significant increase in Credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected Credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the 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 EIR. When estimating the cash flows, the Company is required to consider:

i. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
ii. Cash flows from the sale of collateral held or other Credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off Criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in Credit risk and impairment loss, the Company combines financial instruments on the basis of shared Credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in Credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings, trade and other payables.

Subsequent measurement

Financial liabilities at fair value through profit and loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the Criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own Credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

De-recognition
A financial liability is derecognised 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.

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

u) Use of estimates

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, like provision for employee benefits, provision for doubtful trade receivables/advances/contingencies, provision for warranties, allowance for slow/non-moving inventories, useful life of Property, Plant and Equipment, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

v) Cash and cash equivalents

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

For the purpose of the of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

w) Earnings Per Share (EPS)

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

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

x) Equity Investment in Subsidiaries and Controlled entities

Investment in Subsidiaries and Controlled entities are carried at cost in the Separate Financial Statements as permitted under Ind AS 27.

y) Changes in accounting policies and disclosures

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in the year 2018-19, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2018. Under this method, the standard can be applied either to all contracts at that date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard only to contracts that are not completed as at April 01, 2018.

The cumulative effect of initially applying Ind AS 115 to be recognised at the date of initial application was not significant. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18. The application of Ind AS 115 did not have a material impact on the financial statement of the Company.

z) Standards issued but not yet effective

The amendments to Standard that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases, and related Interpretation. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Company has established an implementation team to implement Ind AS 116 related to Leases and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The Company has initiated steps to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.
The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any significant impact on account of this amendment.

3a Property, plant and equipment

Particulars	Freehold land	Leasehold Land	Buildings on Leasehold Land	Buildings on Freehold Land	Plant and Equipment	Computer	Furniture, Fixtures & Office Equipment	Leasehold improvements	Vehicles	Total Property, Plant and equipment	Capital work-in -progress
Gross block											
As at April 01, 2017	503.69	449.51	611.66	550.01	1,854.64	12.40	34.07	2.75	331.65	**4,350.38**	38.35
Additions	-	-	-	23.66	374.07	18.50	6.72	7.26	34.76	**464.97**	45.80
Disposals	-	(272.58)	(275.89)	-	(79.01)	-	-	-	-	**(627.48)**	(18.12)
As at March 31, 2018	**503.69**	**176.93**	**335.77**	**573.67**	**2,149.70**	**30.90**	**40.79**	**10.01**	**366.41**	**4,187.87**	**66.03**
Additions	-	-	-	10.61	143.09	5.10	3.08	-	33.86	**195.74**	55.70
Disposals	-	-	-	-	(3.16)	-	(0.37)	-	(7.67)	**(11.20)**	(19.87)
As at March 31, 2019	**503.69**	**176.93**	**335.77**	**584.28**	**2,289.63**	**36.00**	**43.50**	**10.01**	**392.60**	**4,372.41**	**101.86**
Depreciation											
As at April 01, 2017	-	4.89	2.38	37.33	220.08	7.85	11.61	0.21	52.77	**337.12**	-
Charge for the year	-	3.87	16.66	21.96	203.60	9.96	7.79	0.80	54.47	**319.11**	-
Disposals	-	-	-	-	(0.98)	-	-	-	-	**(0.98)**	-
As at March 31, 2018	-	**8.76**	**19.04**	**59.29**	**422.70**	**17.81**	**19.40**	**1.01**	**107.24**	**655.25**	-
Charge for the year	-	1.81	13.45	22.29	216.45	12.26	6.46	1.14	55.53	**329.39**	-
Disposals	-	-	-	-	(0.59)	-	(0.10)	-	(2.81)	**(3.50)**	-
As at March 31, 2019	-	**10.57**	**32.49**	**81.58**	**638.56**	**30.07**	**25.76**	**2.15**	**159.96**	**981.14**	-
Net carrying value											
As at March 31, 2018	503.69	168.17	**316.73**	**514.38**	**1,727.00**	**13.09**	**21.39**	**9.00**	**259.17**	**3,532.62**	**66.03**
As at March 31, 2019	503.69	166.36	**303.28**	**502.70**	**1,651.07**	**5.93**	**17.74**	**7.86**	**232.64**	**3,391.27**	**101.86**

(a) Charge on assets
The Rupee term loans from Bank of India are secured by equitable mortgage over the land and buildings there on at Karad (4.10 acres), Coimbatore (3.50 acres), Bonthapally (1.40 acres), Chennai -Thiruvallur (6.98 acres), Bihar (3.93 acres), Dahej (2.50 acres) and Thane (1.85 acres). The Company has deposited the original title deeds of all the above mentioned properties with the Bank. In addition to the above the Company has also hypothecated its stocks and book debts.

(b) Hire purchase arrangements
The carrying value of vehicles held under hire purchase contracts at March 31, 2019 was Rs. 144.96 lakhs (March 31, 2018: Rs. 189.81 lakhs). Additions during the year include Rs.33.86 lakhs (March 31, 2018: Rs. 23.95 lakhs) of vehicles under hire purchase contracts. Assets under hire purchase contracts are pledged as security for the related hire purchase liabilities.

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

3b Intangible assets

Particulars	Software	Total Intangible assets	Intangible assets under development
Gross block			
As at April 01, 2017	-	-	-
Additions	-	-	69.25
Disposals	-	-	-
As at March 31, 2018	-	-	**69.25**
Additions	11.38	11.38	15.15
Disposals	-	-	-
As at March 31, 2019	**11.38**	**11.38**	**84.40**
Depreciation			
As at April 01, 2017	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
As at March 31, 2018	-	-	**-**
Charge for the year	0.88	0.88	-
Disposals	-	-	-
As at March 31, 2019	**0.88**	**0.88**	**-**
Net carrying value			
As at March 31, 2018	-	-	**69.25**
As at March 31, 2019	**10.50**	**10.50**	**84.40**

Intangible assets under development include new ERP which has been implemented from April 01, 2019

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4	Non-current investments (fully paid up)	March 31, 2019	March 31, 2018
A	**Investment in subsidiaries** *(Unquoted equity instruments at cost)*		
	- 20,100 (March 31, 2018: 20,100) equity shares of Rs. 100 each fully paid up in Sarovar Insulation Private Limited	21.12	21.12
	Total Investment in subsidiaries (A)	**21.12**	**21.12**
B	**Investment in controlled entity** *(Capital contribution at cost)*		
	- Share of profits for the year ended March 31, 2019 : 100% (March 31, 2018 : 100%) in Saideep Polytherm	112.15	112.15
	Total Investment in controlled entity (B)	**112.15**	**112.15**
C	**Other investment** (Quoted equity instruments at fair value through OCI)		
	- 18,000 (March 31, 2018 - 18,000) equity shares of Rs.10/- each fully paid up in Hyderabad EPS Products Private Limited (At cost less provision for impairment allowance Rs.180,000 (March 31, 2018: Rs. 180,000))	-	-
	- 5,300 (March 31, 2018 - 5,300) equity shares of Rs.100/- each fully paid up in Pink Packaging & Moulding Private Limited (At cost less provision for impairment allowance Rs.750,000 (March 31, 2018: Rs.750,000))	-	-
	- 6,000 (March 31, 2018 - 6,000) equity shares of Rs.10/- each fully paid up in SuRe Energy Systems Private Limited	25.00	25.00
	- 1,000 (March 31, 2018 : 1000) equity shares of Rs.2/- each fully paid up in Nava Bharat Ventures Limited	1.03	1.35
	- 214,878 (March 31, 2018 - 187,429) equity shares of Rs.10/- each fully paid up in Frontline Power Corporation Limited	24.75	21.46
	Total other Investments (C)	**50.78**	**47.81**
	Total Investments (A+B+C)	**184.05**	**181.08**

5 Loans

	March 31, 2019	March 31, 2018
Loans to employees - secured, considered good	0.90	2.82
Loans to employees - unsecured, considered good	5.67	8.47
Total	**6.57**	**11.29**

Vehicle loans to employees are secured by hypothecation of vehicles acquired out of the loan

6 Non-current trade receivables
(Unsecured, considered good unless otherwise stated)

	March 31, 2019	March 31, 2018
Trade receivables	34.01	17.74
Total	**34.01**	**17.74**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

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

	March 31, 2019	March 31, 2018
Security Deposits	102.50	105.82
Total	**102.50**	**105.82**

8 Non-current tax assets (net)
(Unsecured, considered good unless otherwise stated)

	March 31, 2019	March 31, 2018
Advance income tax net of provision for tax	87.42	62.13
Total	**87.42**	**62.13**

		March 31, 2019	March 31, 2018
9	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Capital advances	0.34	18.89
	Total	**0.34**	**18.89**

10 Inventories

(Cost or net realisable value whichever is lower)

Raw materials and packing materials	424.01	411.27
Work-in-progress	55.16	31.46
Finished goods	192.65	226.48
Stock-in-trade (acquired for trading)	234.57	214.39
Stores and spares	93.55	63.28
Total	**999.94**	**946.88**

During the year ended March 31, 2019, Rs. 21.42 lakhs was recognised as an expense to bring the inventories to net realisable value. (Mar 31, 2018 : Rs.Nil)

11 Trade Receivables

Trade receivables	3,733.14	3,493.38
Receivables from related parties (Refer note 44)	1,101.26	982.25
Total trade receivables	**4,834.40**	**4,475.63**
Break-up for security details:		
Considered good - Unsecured	4,502.73	4,161.26
Trade Receivables - credit impaired	331.67	314.37
Total trade receivables	**4,834.40**	**4,475.63**
Impairment Allowance (allowance for bad and doubtful debts)		
Considered good - Unsecured	(21.89)	(47.16)
Trade Receivables - credit impaired	(309.78)	(267.21)
	(331.67)	**(314.37)**
Total	**4,502.73**	**4,161.26**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

12 Cash and cash equivalents

Balances with Banks		
On current accounts	274.86	79.67
In deposits with original maturity of less than three months	0.69	0.75
Cheques/ drafts on hand	14.08	45.13
Cash on hand	2.67	2.18
Total	**292.30**	**127.73**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	March 31, 2019	March 31, 2018
13 Bank Balances other than above		
In deposits with original maturity of more than three months but less than twelve months	-	65.00
In earmarked accounts		
Unclaimed dividend accounts	17.43	10.96
Interim dividend accounts	-	20.15
Balances held as margin money	228.75	194.14
Others (refer note below)	53.50	38.50
Total	**299.68**	**328.75**

Balances with banks - Other earmarked accounts represent fixed deposits made in pursuance of Rule 13 of the Companies (Acceptance of Deposits) Rules 2014.

14 Loans (Current)

(Unsecured, considered good unless stated otherwise)

	March 31, 2019	March 31, 2018
Loans to employees - secured	7.54	19.81
Loans to employees - Unsecured	31.19	27.10
Total	**38.73**	**46.91**

15 Other current financial assets

(Unsecured, considered good unless stated otherwise)

	March 31, 2019	March 31, 2018
Security deposits	63.20	70.97
Interest receivable	2.81	2.80
Total	**66.01**	**73.77**

Breakup of financial assets

	March 31, 2019	March 31, 2018
Valued at cost		
Investments in subsidaries	112.15	112.15
Valued at fair value through OCI		
Other investments	50.78	47.81
Valued at amortised cost		
Non-current and current loans	45.30	58.20
Trade receivables	4,834.40	4,475.63
Cash and cash equivalents	292.30	127.73
Bank balances	299.68	328.75
Other non-current and current financial assets	168.51	179.59
Total financial assets carried at amortised cost	**5,640.19**	**5,169.90**

16 Other current assets

(Unsecured, considered good unless otherwise stated)

	March 31, 2019	March 31, 2018
Advance paid for jobs in progress		
- Considered good	203.13	253.36
- Considered doubtful	41.57	35.09
Advances for supply and services	125.54	178.37
Advances for supply and services - from related parties	651.47	694.92
Prepayments	77.89	79.57
Balances with Statutory/Government Authorities	1.62	12.62
Surplus gratuity fund balance	37.08	26.76
Other advances	67.26	82.22
Less: Allowance for credit loss against doubtful advances	(41.57)	(35.09)
Total	**1,163.99**	**1,327.82**

17 Share Capital

17.1 Authorised share capital

Equity shares of Rs.2/- each (March 31, 2018: Rs. 2/- each)

	Number of shares	Rs. in Lakhs
At April 1, 2017	**10,000,000**	**1,000.00**
Increase/(decrease) during the year	-	-
Sub-division of nominal value of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each. (Refer note 17.5 (a) below)	40,000,000	-
At March 31, 2018	**50,000,000**	**1,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2019	**50,000,000**	**1,000.00**

17.2 Issued, Subscribed and Paid-up Capital

Equity shares of Rs.2/- each (March 31, 2018: Rs.2/- each)
issued, subscribed and fully paid

	Number of shares	Rs. in Lakhs
At April 1, 2017	**4,683,168**	**468.32**
Sub-division of nominal value of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each. (Refer note 17.5 (a) below)	18,732,672	-
4,683,168 bonus shares issued in the ratio of 1 equity share of Rs.2/- each for every 5 existing equity shares of Rs.2/- each. (Refer note 17.5 (b) below)	4,683,168	93.66
At March 31, 2018	**28,099,008**	**561.98**
Increase/(decrease) during the year	-	-
At March 31, 2019	**28,099,008**	**561.98**

17.3 Terms/ rights attached to shares

The Company has issued only one class of equity shares having a par value of Rs.2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.4 Details of shareholders holding more than 5% shares in the Company

	March 31, 2019		March 31, 2018	
	Number of shares held	% holding	Number of shares held	% holding
Mr. Bharat Anumolu	7,603,048	27.06%	8,645,536	30.77%
Mrs. Jayasree Anumolu	9,091,614	32.36%	9,091,614	32.36%
M/s. Gunnam Subba Rao Insulation Private Limited	3,328,320	11.84%	3,328,320	11.84%

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

17.5 Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceeding the reporting date:

(a) On May 05, 2017, one equity share of face value Rs.10/- each was split into five equity shares of Rs.2/- each. Accordingly, 10,000,000 authorised equity shares of Rs.10/- each were sub-divided into 50,000,000 authorised equity shares of Rs.2/- each and 4,683,168 fully paid up shares of Rs.10/- each were sub-divided into 23,415,840 fully paid up shared of Rs.2/-each.

(b) On May 06, 2017, the Company issued bonus shares to the existing shareholders, in the ratio of 1:5. The Securities premium account was utilised to the extent of Rs. 93.66 lakhs for the issue of said bonus shares.

18 Other equity

	March 31, 2019	March 31,2018
Reserves and Surplus		
(a) Securities premium account		
Balance at the beginning of the year	555.65	649.31
Less: Equity shares allotted as fully paid bonus shares by capitalization of securities premium (Refer note 17.5 (b))	-	(93.66)
Balance at the end of the year	**555.65**	**555.65**
(b) General reserve		
Balance at the beginning of the year	484.61	484.61
Add: Amount transferred from surplus in the statement of profit and loss	-	-
Balance at the end of the year	**484.61**	**484.61**
(c) Surplus in the statement of profit and loss		
Balance at the beginning of the year	2,502.26	2,506.44
Add: Profit for the year	(68.25)	64.66
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred from FVTOCI reserve	(9.72)	12.33
Less: Interim dividend for the year ended on March 31, 2019: Rs.Nil per share (March 31, 2018: Rs.0.12 per share)	-	(67.44)
Less: Dividend distribution tax on interim dividend	-	(13.73)
Balance at the end of the year	**2,424.29**	**2,502.26**
(d) FVTOCI reserve		
Balance at the beginning of the year	5.56	0.04
Add: Other comprehensive income for the year	(9.95)	17.85
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred to Retained Earnings	9.72	(12.33)
Balance at the end of the year	**5.33**	**5.56**
Total other equity	**3,469.88**	**3,548.08**

19 Borrowings (non-current)

	March 31, 2019	March 31,2018
Term loans		
Indian Rupee loans from banks (Secured) (a)	424.21	561.86
Long term maturities of finance lease obligation		
Obligations under hire purchase contracts (Secured) (b)	63.40	90.58
Unsecured loans from others		
Unsecured deposits from members - related parties (Refer note 44)	100.18	80.18
Unsecured deposits from members - others	122.45	126.86
Unsecured inter corporate deposits	542.00	517.00
Unsecured loans and advances from related parties (Refer note 44)	377.83	125.32
Total	**1,630.07**	**1,501.80**
Current maturities of non-current borrowings		
Indian Rupee term loans from banks (Secured) (b)	137.65	137.65
Obligations under hire purchase contracts (Secured) (b)	42.89	55.24
	180.54	**192.89**
Less: Amount disclosed under the head "other financial liabilities" (c)	(180.54)	(192.89)
Total non-current borrowings ((a) - (c))	**1,449.53**	**1,308.91**

(i) The Rupee term loans from Bank of India are secured by exclusive charge on the entire fixed and current assets of the Company. They are also secured by deposit of the title deeds of all its properties. These term loans are repayable over a period of 7 years and the average floating interest rate is 10.60% (previous year - 10.50%)
(ii) Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan and taken at an interest rate of 9.50% to 10.50%.
(iii) Deposits from members are accepted at an interest rate of 9.75% to 10.59%
(iv) Inter corporate deposits are accepted at an interest rate of 11.00% to 13.00%
(v) Loans and advances from related parties are at an interest rate of 12.00%

20 Other financial liabilities (non current)

	March 31, 2019	March 31,2018
Interest accrued but not due on deposits from members		
- From others	2.03	3.98
Total	**2.03**	**3.98**

21 Provisions (non-current)

Provision for compensated absences (refer note 42)	76.65	75.35
Total	-	-
	76.65	**75.35**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		March 31, 2019	March 31,2018
22 Deferred tax liability (Net)			
Deferred tax liability relating to			
On difference between book balance and tax balance of Property, plant & equipment		328.08	324.57
Deferred tax impact on fair valuation of Investments		2.69	2.78
	(A)	**330.77**	**327.35**
Deferred tax asset relating to			
Provision for compensated absences		28.19	25.94
Provision for impairment allowance on debtors		119.76	117.45
	(B)	**147.95**	**143.39**
Deferred tax liability (Net)	**(A-B)**	**182.82**	**183.96**

Deferred tax liabilities: (Net)

For the year ended March 31, 2019	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant and equipment	324.57	3.51	-	328.08
Provision for compensated absences	(25.94)	(2.25)	-	(28.19)
Provision for impairment allowance on doubtful assets	(117.45)	(2.31)	-	(119.76)
FVTOCI reserve	2.78	-	(0.09)	2.69
	183.96	**(1.05)**	**(0.09)**	**182.82**

For the year ended March 31, 2018	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant and equipment	341.06	(16.49)	-	324.57
Provision for compensated absences	(27.49)	1.55	-	(25.94)
Provision for impairment allowance on doubtful assets	(89.41)	(28.04)	-	(117.45)
FVTOCI reserve	0.29	-	2.49	2.78
	224.45	**(42.98)**	**2.49**	**183.96**

23 Borrowings (Current)

	March 31, 2019	March 31,2018
Cash credit from banks (secured)	1,853.35	1,725.49
Buyer's credit from banks (secured)	-	135.81
Unsecured deposits from members - related parties (refer note 44)	5.00	5.00
Unsecured deposits from members - others	112.84	189.48
Total	**1,971.19**	**2,055.78**

(i) The interest rate on the cash credit and buyer's credit ranges between 10.50% to 11.00%. Refer note 3(a) for details of security. (ii) Refer note (iii) under non-current borrowings for details of security and terms of repayment.

24 Trade payables

	March 31, 2019	March 31,2018
Outstanding dues to micro, small and medium enterprises	-	-
Outstanding dues to creditors other than micro, small and medium enterprises	2,728.88	2,503.67
	2,728.88	**2,503.67**

Based on the information available with the Company, there are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2019 (March 31, 2018: Nil). Further, the Company has not paid any interest to any Micro and Small Enterprises during the current and previous year.

Term and conditions of the above financial liabilities:
Trade payables are non interest bearing and carry a credit period generally between 30 and 60 days

25 Other financial liabilities (current)

Current Maturities of long term debt (refer note (ii) below)	137.65	137.65
Current maturities of hire purchase loans (refer note (iii) below)	42.89	55.24
Unclaimed dividend	17.43	10.96
Interest accrued but not due on deposits from members		
- From related parties	0.22	0.22
- From others	6.94	1.38
Interest accrued but not due on promotors loan	2.75	0.28
Payable to employees	49.22	104.23
Dividend payable	-	20.16
Total	**257.10**	**330.12**

(i) Interest payable is normally settled monthly / quarterly throughout the financial year.
(ii) Current maturities of long-term debt pertains to secured term loans taken from banks. Refer note (i) under non-current borrowings for details of security and terms of repayment.
(iii) Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan.

26 Other current liabilities

Statutory liabilities	153.55	129.02
Advances received from customers	308.80	309.52
Advance for sale of land	145.70	-
Total	**608.05**	**438.54**

27 Provisions (current)

Provision for compensated absences (refer note 42)	20.17	13.73
Provision for differential sales tax	38.02	53.87
Total	**58.19**	**67.60**

Breakup of financial liabilities

Valued at amortised cost		
Non current borrowings	1,449.53	1,308.91
Current borrowings	1,971.19	2,055.78
Trade Payables	2,728.88	2,503.67
Other non-current and current financial liabilities	259.13	334.10
Total financial liabilities carried at amortised cost	**6,408.73**	**6,202.46**

28 Revenue from contracts with customers

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Sale of Products		
Finished goods (including excise duty#)	12,917.62	12,611.52
Traded goods	2,133.64	994.33
Sale of services	1,870.53	1,426.33
Other operating revenue		
Scrap sales	40.40	21.59
Total revenue from operations (gross)	**16,962.19**	**15,053.77**

Sale of finished goods for the periods upto June 30, 2017 includes excise duty. Effective July 01, 2017, excise duty and most indirect taxes in India have been replaced with Goods and Service Tax (GST). The Company collects GST on behalf of the government. Hence, GST is not included in Revenue from contracts with customers post implementation of GST.

Sale of finished goods includes excise duty collected from customers of Rs.Nil (March 31, 2018 : Rs.286.42 lakhs). Sale of finished goods net of excise duty is Rs. 12,917.62 lakhs (March 31, 2018 : Rs.12,325.10 lakhs).

Disaggregated information

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Timing of revenue recognition		
Goods / Services transferred at a point in time	15,091.66	13,627.44
Services transferred overtime	1,870.53	1,426.33
	16,962.19	**15,053.77**
Contract balances		
Trade receivables	4,536.74	4,179.00
Contract assets	203.13	253.36
Contract liabilities	308.80	309.52

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets are recognised over time based on the progress of completion of the service as per the terms of the contract, as the customer simultaneously receives and consumes the benefits provided by the company. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassifed to trade receivables.

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

29 Other income

Rental income from operating leases	47.96	46.60
Income from Saideep - techincal services	72.00	-
Dividend Income	0.02	0.01
Net gain on sale of property, plant and equipment	0.95	8.35
Share of profit from partnership firm	-	18.63
Other non-operating income	17.37	3.26
Total	**138.30**	**76.85**

30 Finance income

Interest Income on		
- Bank Deposits	17.35	16.81
- Income tax refund	-	10.31
- Others	1.55	1.16
Total	**18.90**	**28.28**

		For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
31	**Cost of raw materials consumed**		
	Opening stock	411.27	423.80
	Add: Purchases	10,278.54	9,336.32
		10,689.81	**9,760.12**
	Less : Closing stock	424.01	411.27
	Total cost of raw materials consumed	**10,265.80**	**9,348.85**
32	**Purchase of traded goods**		
	Stock-in-trade - Motors	1,347.27	873.71
	Stock-in-trade - Others	563.19	6.66
	Total	**1,910.46**	**880.37**
33	**Changes in inventories of finished goods, work-in-progress and traded goods**		
	Opening stock		
	Finished goods	226.48	155.59
	Work-in-Progress	31.46	29.82
	Stock-in-trade	214.39	217.41
		472.33	**402.82**
	Closing stock		
	Finished goods	192.65	226.48
	Work-in-Progress	55.16	31.46
	Stock-in-trade	234.57	214.39
		482.38	**472.33**
	Decrease/ (increase) in inventories of finished goods, work-in-progress and traded goods	**(10.05)**	**(69.51)**
34	**Employee benefits expense**		
	Salaries, allowances and wages	1,336.98	1,299.21
	Contribution to provident fund and other funds	156.65	156.16
	Gratuity expense	23.12	48.68
	Staff welfare expenses	142.97	141.45
	Total	**1,659.72**	**1,645.50**
35	**Finance Costs**		
	Interest expense on		
	Term loans and working capital loans	256.48	219.14
	On deposits from members and other deposits	114.26	106.18
	On hire purchase contracts	8.66	10.90
	Delayed payment of Income Tax	20.15	14.51
	Other Borrowing Costs #	77.60	92.87
	Total	**477.15**	**443.60**

Other borrowing cost includes loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

36	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	329.39	319.11
	Amortization of intangible assets	0.88	-
	Total	**330.27**	**319.11**

37 Other expenses

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Consumption of stores and spares	126.88	98.19
Service Charges	464.32	397.52
Power and Fuel	610.60	562.89
Repairs & maintenance		
Plant and machinery	24.28	29.90
Buildings	15.24	20.61
Furniture and Equipment	10.92	14.64
Rent	178.37	172.61
Rates and taxes	27.46	60.31
Advertising and sales promotion	63.11	81.62
Vehicle maintenance	47.81	53.59
Insurance	82.31	73.87
Printing and stationery	21.51	22.95
Consultancy and other professional charges	142.25	250.68
Travelling and conveyance	132.99	173.80
Communication expenses	37.07	38.21
Allowance for credit loss	7.93	22.11
Bad debts written off	69.93	11.46
Freight and forwarding charges	201.21	184.41
Share of loss from partnership firm	104.28	-
Donations	27.50	100.21
Sitting fees paid to Directors	6.90	11.70
Bank charges	35.08	21.45
Net loss on foreign currency transactions and translation	20.58	9.38
Miscellaneous Expenses	74.32	96.95
Total	**2,532.85**	**2,509.06**

Payment to auditor (included under consultancy and other professional charges)

As auditor		
- Audit fee	12.00	10.00
- Limited review	9.00	6.40
- Tax audit fee	1.00	1.00
In other capacity		
- Other services (includes certification)	1.50	3.15
- Reimbursement of expenses	0.81	0.77
Total	**24.31**	**21.32**

Details of CSR expenditure

a) Gross amount required to be spent by the company during the year		11.10	10.59
b) Amount spent during the year ending on March 31, 2019 :	In cash	Yet to be paid in cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	22.30	-	22.30
c) Amount spent during the year ending on March 31, 2018 :	In cash	Yet to be paid in cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	97.35	-	97.35

38 Exceptional items

On November 29, 2017, the Company has transferred leasehold rights on land situated at Plot No. N-32 located at Additional Patalganga Industrial Area, Taluka - Panvel, Maharashtra along with the sale of factory building constructed by the Company on the leasehold land for an aggregate consideration of Rs. 800 lakhs to V-ensure Pharma Technologies Private Limited. Rs.244.75 lakhs being gain on disposal during this year ended March 31, 2018 is shown as an exceptional item.

39 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
FVTOCI reserve		
Gain/(loss) on FVTOCI financial assets	(0.32)	8.01
Deferred tax effect on the gain/(loss) on FVTOCI financial assets	0.09	(2.49)
Re-measurement gains / (losses) on defined benefit plans	(13.46)	17.39
Deferred tax effect on remeasurement costs on net defined benefit liability	3.74	(5.06)
Total	**(9.95)**	**17.85**

40 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

EPS has been restated for the comparative period giving effect to the revised number of shares post stock split of one share having a face value of Rs.10/- into five shares of Rs.2/- each and bonus issue of one share for every five shares as mentioned in note 17.5 (a) and (b).

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Profit / (loss) available for equity shareholders	(68.25)	64.66
Weighted average number of equity shares in computing basic and diluted EPS	28,099,008	28,099,008
Face value of each equity share (Rs.)	2	2
Earnings per share*		
- Basic (Rs.)	(0.24)	0.23
- Diluted (Rs.)	(0.24)	0.23

41 Income taxes

The major components of income tax expenses for the year ended March 31, 2019 and March 31, 2018 are:

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
(i) Profit or loss section		
Current tax	22.58	18.57
Deferred tax credit	(1.14)	(42.98)
Total income tax expense recognised in statement of Profit & Loss	**21.44**	**(24.41)**
(ii) OCI Section		
Net gain on FVTOCI financial assets	(0.09)	2.49
Net loss on remeasurement of defined benefit plans	(3.74)	5.06
Income tax charged to OCI	**(3.83)**	**7.55**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Particulars	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Profit Before Tax (A)	(46.81)	40.25
Enacted tax rate in India (B)	26.00%	34.61%
Expected tax expenses (C = A x B)	(12.17)	13.93
Tax effect on permanent differences and others		
50% of donation	4.00	50.11
Loss / (profit) from partnership firm	30.37	(18.63)
Change in tax rates from FY 2018-19	-	(34.67)
Others	(0.76)	(35.15)
Total (D)	**33.61**	**(38.34)**
Expected tax expenses after adjusting permanent differences (C+D)	21.44	(24.41)
Total Tax expense	21.44	(24.41)

42 Employee benefits

A. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.83.99 Lakhs (March 31, 2018: Rs.82.30 Lakhs) for Provident Fund contributions, Rs.65.52 Lakhs (March 31, 2018: Rs.67.56 Lakhs) for Superannuation Fund contributions and Rs.7.14 Lakhs (March 31, 2018: Rs.6.30 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 20 Lakhs. The Company has invested the plan assets with the insurer managed funds (Life Insurance Corporation). The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

The components of gratuity cost recognised in the statement of profit and loss for the years ended March 31, 2019 and March 31, 2018 consist of the following:

Particulars	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Current service cost	27.02	51.10
Interest cost (net)	(3.90)	(2.42)
Gratuity cost recognised in statement of profit and loss	**23.12**	**48.68**
Return on plan assets (greater)/less than discount rate	2.80	2.94
Actuarial (gains) / losses due to changes in financial assumptions	11.64	(26.36)
Experience adjustments	(0.98)	6.03
Components of defined benefit costs recognised in other comprehensive income	**13.46**	**(17.39)**

Particulars	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Details of the employee benefits obligations and plan assets are provided below:		
Defined benefit obligation	377.49	344.23
Fair value of plan assets	414.57	370.99
Net defined benefit (asset) / liability recognised	**(37.08)**	(26.76)
Details of changes in the present value of defined benefit obligations are as follows:		
Opening defined benefit obligation	344.23	322.44
Current service cost	27.02	51.10
Interest cost	25.58	23.67
Remeasurement gains/(losses) on obligation	10.66	(20.33)
Benefits paid	(30.00)	(32.65)
Defined benefit obligations at the end of the year	**377.49**	**344.23**
Details of changes in the fair value of plan assets are as follows:		
Fair value of plan assets at the beginning of the year	370.99	327.17
Expected return on plan assets	29.48	26.09
Employer contributions	46.90	53.32
Benefits paid	(30.00)	(32.65)
Remeasurement gains/(losses) on plan assets	(2.80)	(2.94)
Plan assets at the end of the year	**414.57**	**370.99**

The principal actuarial assumptions used in determining gratuity obligation for the Company are shown below:

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.77%	7.73%
Rate of return of plan assets	7.77%	7.73%
Attrition rate	1.00%	1.00%
Rate of compensation increase	6.00%	6.00%

Sensitivity Analysis: Impact on defined benefit obligation

(a) Effect of 1% change in assumed discount rate		
- 1% increase	(22.82)	(21.24)
- 1% decrease	26.33	24.45
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	25.54	24.09
- 1% decrease	(22.85)	(21.34)
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	2.08	1.85
- 1% decrease	(2.32)	(2.07)

The expected future cash flows in respect of gratuity were as follows:

Expected future benefit payments		
Within next year	40.94	24.27
Between 2 and 5 years	138.45	102.10
Between 6 and 10 years	135.35	151.74

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

43 Segment information

Primary segment

Based on internal reporting provided to the chief operating decision maker, insulation and trading are two reportable segments for the Company. Insulation Business includes manufacturing of EPS Products / prefabricated panels and related service activities. Trading includes motors, export of fabrics, telemedicine equipments, Information Technology Products etc. The above segments have been identified taking into account the organisation structure as well as differing risks and returns of these segments. Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. All expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

For the year ended March 31, 2019

Particulars	Insulation	Trading	Total
Revenue	14,828.36	2,133.83	16,962.19
Segment result	935.48	138.14	1,073.62
Less: Finance costs			(477.15)
Less: Unallocable corporate expenses (net of income)			(643.28)
Add: Exceptional items			-
Profit before taxes			(46.81)
Less: Tax expenses			(21.44)
Net profit for the year			**(68.25)**
As at year ended March 31, 2019			
Segment assets	9,734.14	558.89	10,293.03
Unallocable assets			1,073.27
Total Assets			**11,366.30**
Segment liabilities	3,177.14	372.39	3,549.53
Unallocable liabilities			3,784.91
Total liabilities			**7,334.44**

For the year ended March 31, 2018

Particulars	Insulation	Trading	Total
Revenue	14,059.62	994.15	15,053.77
Segment result	994.53	28.52	1,023.05
Less: Finance costs			(443.60)
Less: Unallocable corporate expenses (net of income)			(783.95)
Add: Exceptional items			244.75
Profit before taxes			40.25
Less: Tax expenses			24.41
Net profit for the year			**64.66**
As at year ended March 31, 2018			
Segment assets	9,626.89	373.41	10,000.30
Unallocable assets			1,077.67
Total Assets			**11,077.97**
Segment liabilities	2,947.23	224.84	3,172.07
Unallocable liabilities			3,795.84
Total liabilities			**6,967.91**

Revenue from External Customers

Particulars	March 31, 2019	March 31, 2018
India	16,241.99	15,044.90
Outside India	720.20	8.87

The revenue information above is based on the location of the customers

Non current assets

Particulars	March 31, 2019	March 31, 2018
India	3,588.03	3,667.90
Outside India	-	-

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets under development.

44 a. Related Party Transactions

Enterprises that are controlled by the Company	M/s Saideep Polytherm (Partnership Firm)- Controlled Entity M/s Sarovar Insulation Private Limited - wholly owned subsidiary
Key Management Personnel (KMP) and their relatives	Mr. Bharat Anumolu - Managing Director Mr. Amrith Anumolu - Joint Managing Director Mrs. Jayasree Anumolu - Director / Relative of KMP Mr. S.V. Narasimha Rao - Executive Director (till Sept. 14, 2017) Mrs. Lalithamabal Panda - Relative of KMP Mrs.Vijayalakshmi Ravindranath - Independent Director (till November 29, 2018) Mr. R Gowrishanker - Independent Director Mr.V J Singh - Independent Director Mr. V V Sridharan - Chief Financial Officer Mr. K Murali - Company Secretary Mrs. S N Radha - Relative of KMP
Enterprises over which parties above or their relatives have control / significant influence ('Affiliates')	M/s Gunnam Subba Rao Insulation Private Limited M/s Korean Painting and Plating Pvt Ltd (Formerly "Panda Solar Energy Pvt Ltd") M/s Villasini Real Estate Private Limited

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

b. Related party transactions for the year ended March 31, 2019

Particulars	Controlled entity	Wholly owned subsidiary	Affiliates	Key Managerial Personnel
Transactions during the period				
Sale of products	182.21	-	-	-
Purchase of materials	424.81	1,005.80	-	-
Technical service income	72.00	-	-	-
Lease rent income	7.50	12.00	3.10	-
Lease rent expense	-	-	48.00	-
Share of loss	104.28	-	-	-
Managerial remuneration paid				
Mr. Bharat Anumolu	-	-	-	76.12
Mr. Amrith Anumolu	-	-	-	46.66
Mr. V.V. Sridharan - Chief Financial Officer	-	-	-	21.93
Mr. K. Murali - Company Secretary	-	-	-	14.30
Public deposits received				
Mrs. Lalithamba Panda	-	-	-	20.00
Intercorporate loan received				
M/s. Villasini Real Estate Private Limited	-	-	20.00	-
Intercorporate loan repaid				
M/s. Villasini Real Estate Private Limited	-	-	20.00	-
Unsecured loan received				
Mr. Bharat Anumolu	-	-	-	100.00
Mrs. Jayasree Anumolu	-	-	-	25.00
Mr. Amrith Anumolu	-	-	-	16.00
Mr. Gowrishanker	-	-	-	400.00
Unsecured Loan repaid				
Mr. Bharat Anumolu	-	-	-	116.67
Mrs. Jayasree Anumolu	-	-	-	21.82
Mr. Gowrishanker	-	-	-	150.00
Finance cost during the year on loans				
Mr. Bharat Anumolu	-	-	-	4.56
Mr. V.J. Singh	-	-	-	0.84
Mr. Amrith Anumolu	-	-	-	0.84
Mr. Gowrishanker	-	-	-	9.60
Mrs. Jayasree Anumolu	-	-	-	1.57
M/s. Villasini Real Estate Private Limited	-	-	0.21	-
Balance outstanding as at the year end				
Trade receivable	1,101.26	-	-	-
Advances for supply and services	-	651.47	-	-
Other advances	-	-	33.44	-
Unsecured loan from Mr. Bharat Anumolu	-	-	-	79.83
Unsecured loan from Mr. V J Singh	-	-	-	7.00
Unsecured loan from Mrs. Jayasree Anumolu	-	-	-	25.00
Unsecured loan from Mr. Amrith Anumolu	-	-	-	16.00
Unsecured loan from Mr. Gowrishanker	-	-	-	250.00
Public deposits from Mrs. Lalithamba Panda	-	-	-	100.18
Public deposits from Mrs. S N Radha	-	-	-	5.00
Interest accrued on Fixed Deposit - Mrs. S N Radha	-	-	-	0.22

c. Related party transactions for the year ended March 31, 2018

Particulars	Controlled entity	Wholly owned subsidiary	Affiliates	Key Managerial Personnel
Transactions during the period				
Sale of products	529.23	2.18	-	-
Purchase of materials	284.24	969.04	-	-
Lease rent income	9.00	11.72	0.52	
Lease rent expense	-	-	48.00	-
Share of profit	18.63	-	-	-
Managerial remuneration paid				
Mr. Bharat Anumolu	-	-	-	86.37
Mr. S.V. Narasimha Rao	-	-	-	3.46
Mr. Amrith Anumolu	-	-	-	66.00
Mr. V. V. Sridharan - Chief Financial Officer	-	-	-	17.95
Mr. K. Murali - Company Secretary	-	-	-	12.20
Public deposits received				
Mrs. Lalithamba Panda	-	-	-	10.18
Mrs. S.N. Radha	-	-	-	5.00
Public deposits repaid				
Mrs. Lalithamba Panda	-	-	-	20.00
Intercorporate loan received				
M/s. Korean Painting and Plating Pvt Ltd	-	-	20.00	-
Intercorporate loan repaid				
M/s. Korean Painting and Plating Pvt Ltd	-	-	170.00	-
Unsecured loan received				
Mr. Bharat Anumolu	-	-	-	154.25
Mrs. Jayasree Anumolu	-	-	-	21.82
Mr. V.J. Singh	-	-	-	4.00
Unsecured Loan repaid				
Mr. Bharat Anumolu	-	-	-	69.75
Finance cost during the year on loans				
Mr. Bharat Anumolu	-	-	-	1.56
Mr. V.J. Singh	-	-	-	1.52
M/s. Korean Painting and Plating Pvt Ltd	-	-	11.22	-
Balance outstanding as at the year end				
Trade receivable	982.25	-	-	-
Advances for supply and services	-	694.92	-	-
Other advances	-	-	44.08	-
Unsecured loan from Mr. Bharat Anumolu	-	-	-	96.50
Unsecured loan from Mr. V J Singh	-	-	-	7.00
Unsecured loan from Mrs. Jayasree Anumolu	-	-	-	21.82
Public deposits from Mrs. Lalithamba Panda	-	-	-	80.18
Public deposits from Mrs. S N Radha	-	-	-	5.00
Interest payable on unsecured loan from Mr. Bharat Anumolu	-	-	-	0.28
Interest accrued on Fixed Deposit - Mrs. S N Radha	-	-	-	0.22

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

45 Commitments and contingencies

a. Leases

Operating lease commitments – Company as lessee

The Company has entered into operating lease arrangements for certain office premises. The leases are non-cancellable and are for a period of 5 years. The lease agreements provide for an increase in the lease payments by 6 to 7 % every year.

The Company has paid Rs.178.37 lakhs (March 31, 2018: Rs. 172.61 lakhs) during the year towards minimum lease payment.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	March 31, 2019	March 31, 2018
Within one year	94.15	91.26
After one year but not more than five years	256.59	74.19
More than five years	-	-
	350.74	**165.45**

b. Commitments

The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided is Rs.49.76 lakhs (March 31, 2018 : Rs.43.78 lakhs).

c. Contingent liabilities

	March 31, 2019	March 31, 2018
(a) Claims against the Company not acknowledged as debts	22.77	22.77
(b) Sales tax demands against which the Company has filed appeals and for which no provision is considered necessary as the Company is expecting favourable outcome.	744.25	592.98
	767.02	**615.75**

Particular	March 31, 2019	March 31, 2018	Period to which the amount relates	Forum where dispute is pending
Under Sales Tax Acts of various states Amount under dispute Amount paid **Net Amount**	 1.79 0.74 **1.05**	 1.79 0.74 **1.05**	1995-96 2000-01 2001-02 2003-04	Deputy Commissioner, Assistant Commissioner & other appellate authorities
Under Central Sales Tax Act, 1956 Amount under dispute Amount paid **Net Amount**	 742.46 56.15 **686.31**	 591.19 50.65 **540.54**	1995-96, 2003-04 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2016-17	High Court, Deputy Commissioner & CTO of various states

d. Events subsequent to the year end.

Subsequent to the year end, the erstwhile Managing Director of the company has filed petition with NCLT under sections 241 to 244 of the Companies Act, 2013. He has sought relief and action against the Directors. The matter is pending before NCLT. Based on the review of the petition, the Board is of the view that these matters have no financial effect on financial statements for the year ended March 31, 2019.

46 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made judgement relating to determination of lease classification which has the most significant effect on the amounts recognised in the financial statements.

Operating leases – Company as lessor

The Company has entered into leases on its investment properties. The Company has determined, based on an evaluation of the terms and conditions of the arrangements such as the lease term not constituting a substantial portion of the economic life of the property, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

47 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of bank and other borrowings, deposits, trade and other payables. The main purpose of these financial liabilities is to finance and support the entity's operations. The entity's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The entity is exposed to market risk, credit risk and liquidity risk. The entity's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity's exposure to the risk of changes in market interest rates relates primarily to the entity's long-term debt obligations with floating interest rates. The entity manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the entity's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	March 31, 2019		March 31, 2018	
Increase / decrease in interest rate	+1%	-1%	+1%	-1%
Impact on profit before tax	22.78	(22.78)	22.87	(22.87)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company has not hedged any portion of its expected foreign currency sales as at March 31, 2019 and March 31, 2018.

Foreign currency sensitivity

The following demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates for INR, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

Particulars	Currency	March 31, 2019	March 31, 2018
Trade receivables	USD	31,345.00	29,163.65
Trade receivables	EURO	-	11,236.44
Buyers credit	JPY	-	22,068,140.00

Particulars	Forex Currency	Change in forex rate(%)	Effect on profit before tax (in Rs.)	Effect on pre-tax equity (in Rs.)
31-Mar-19	USD	5% Increase	(108,407)	(108,407)
		5% Decrease	108,407	108,407
31-Mar-18	JPY	5% Increase	(679,037)	(679,037)
		5% Decrease	679,037	679,037
31-Mar-18	EURO	5% Increase	(45,294)	(45,294)
		5% Decrease	45,294	45,294
31-Mar-18	USD	5% Increase	(94,549)	(94,549)
		5% Decrease	94,549	94,549

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk is equal to the carrying amount of financial assets as of March 31, 2019, March 31, 2018 and April 1, 2017 respectively.

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments (including interest payments):

	Within 1 year	1 to 5 years	After 5 years	Total
Year ended March 31, 2019				
Borrowings	1,971.19	1,449.53	-	3,420.72
Other financial liabilities	257.10	2.03	-	259.13
Trade payables	2,728.88	-	-	2,728.88
	4,957.17	**1,451.56**	**-**	**6,408.73**
Year ended March 31, 2018				
Borrowings	2055.78	1,308.91	-	3,364.69
Other financial liabilities	330.12	3.98	-	334.10
Trade payables	2,503.67	-	-	2,503.67
	4,889.57	**1,312.89**	**-**	**6,202.46**

48 Fair value measurements

The carrying value of financial instruments by categories is as follows:

	Carrying Value		Fair Value	
Particulars	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Financial assets				
Investments in subsidiaries	21.12	21.12	21.12	21.12
Investments in controlled entity	112.15	112.15	112.15	112.15
Other investments	42.21	38.92	50.78	47.81
Trade receivables	4,536.74	4,179.00	4,536.74	4,179.00
Cash and cash equivalents	292.30	127.73	292.30	127.73
Bank balances other than cash and cash equivalents	299.68	328.75	299.68	328.75
Loans	45.30	58.20	45.30	58.20
Other financials assets	168.51	179.59	168.51	179.59
Total	**5,518.01**	**5,045.46**	**5,526.58**	**5,054.35**
Financial liabilities				
Borrowings	3,420.72	3,364.69	3,420.72	3,364.69
Trade payables	2,728.88	2,503.67	2,728.88	2,503.67
Other financial liabilities	259.13	334.10	259.13	334.10
Total	**6,408.73**	**6,202.46**	**6,408.73**	**6,202.46**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

49 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying amount	Fair Value			Carrying amount	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Measured at amortised cost								
Investments in subsidiaries	21.12	-	-	21.12	21.12	-	-	21.12
Investments in controlled entity	112.15	-	-	112.15	112.15	-	-	112.15
Trade receivables	4,536.74	-	-	4,536.74	4,179.00	-	-	4,179.00
Cash and cash equivalents	292.30	-	-	292.30	127.73	-	-	127.73
Bank balances other than above	299.68	-	-	299.68	328.75	-	-	328.75
Loans	45.30	-	-	45.30	58.20	-	-	58.20
Other financials assets	168.51	-	-	168.51	179.59	-	-	179.59
	5,475.80	-	-	**5,475.80**	**5,006.54**	-	-	**5,006.54**
Asset measured at fair value:								
Other investments - FVTOCI	42.21	50.78	-	-	38.92	47.81	-	-
Equity Investments	**42.21**	**50.78**	**-**	**-**	**38.92**	**47.81**	**-**	**-**
Total Financial assets	**5,518.01**	**50.78**	**-**	**5,475.80**	**5,045.46**	**47.81**	**-**	**5,006.54**
Financial liabilities								
Measured at amortised cost								
Borrowings	3,420.72	-	-	3,420.72	3,364.69	-	-	3,364.69
Trade payables	2,728.88	-	-	2,728.88	2,503.67	-	-	2,503.67
Other financial liabilities	259.13	-	-	259.13	334.10	-	-	334.10
	6,408.73	**-**	**-**	**6,408.73**	**6,202.46**	**-**	**-**	**6,202.46**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

50 Capital management

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

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company determines the amount of capital required on the basis of annual operating plans and long term fleet expansion plans. The funding requirements are met through internal accruals and other long-term / short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Company.

	March 31, 2019	March 31, 2018
Borrowings	3,601.26	3,557.58
Less: cash and short-term deposits	(591.98)	(456.48)
Net debt	3,009.28	3,101.10
Equity	561.98	561.98
Other equity	3,469.88	3,548.08
Total equity	**4,031.86**	**4,110.06**
Gearing ratio	43%	43%

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous periods. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

51 Events after the reporting period

Subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company, the Board of Directors have recommended a final dividend of Rs.0.24 per equity share of Rs.2/- each.

52 Prior year comparatives

The figures of previous year have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP Chartered Accountants ICAI Firm registration number: 101049W/E300004	For and on behalf of the Board of Directors **Beardsell Limited**	
per Bharath N S Partner Membership no.: 210934	**Amrith Anumolu** Joint Managing Director DIN : 03044661	**V J Singh** Director DIN : 03129164
Place : Chennai Date : May 24, 2019	**V V Sridharan** Chief Financial Officer	**K Murali** Company Secretary

BEARDSELL LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of Beardsell Limited (hereinafter referred to as "the Holding Company"), its subsidiary and controlled entity (the Holding Company, its subsidiary and controlled entity together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31 2019, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, controlled entity, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013,as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2019, their Consolidated loss including Other Comprehensive Income, their Consolidated Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
<u>Appropriateness of timing of Revenue recognition</u> *(as described in Note 2.2.i of the Consolidated Ind AS financial statements)*	
The Company has several streams of revenue from multiple locations geographically spread across India and it currently has a decentralized accounting system. Revenue from each stream is recognized based on the accounting policies disclosed in the note 2.2.i to the Ind AS financial statements. As part of our overall response to the risk of fraud, when identifying and assessing the risks of material misstatement due to fraud, we evaluate the revenue transactions that might give rise to potential fraud risks. In this Company, Bonus payouts are often determined based on the metrices of each location which gives an incentive for the management at each location to inflate the revenue for the year. Hence, we consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be advanced by management. In view of the above discussed matters, appropriateness of timing of revenue recognition has been considered as a key audit matter.	In order to address the risk of misstatement related to timing of revenue recognition, our audit response included: • We have read and assessed that the accounting policy of the Group for recognition of revenue from each streamis in compliance with Ind AS 115 • We performed walkthroughs of all significant revenue process across all segments in each location, to gain an understanding of revenue recognition process (including revenue recognition requirements under Ind AS 115) which included controls in the process addressing the relevant risks. • We have assessed the design and operating effectiveness of these controls implemented by management in the revenue process through test of key controls during the audit year. • We have tested a sample of contracts with customers across the segments throughout the audit period to evaluate compliance with the requirements of Ind AS 115 by way of identification of timing of revenue recognition for such contracts. • We performed sample tests of individual sales transactions and traced to supporting documents including sales invoices or sales contracts and purchase orders issued by customers (as applicable) to determine the point of revenue recognition for different shipment arrangements and agreements with customers. • We performed analytical reviews of disaggregated data of revenue transactions during the audit period to identify any unusual trends warranting additional audit procedures. • We performed location wise testing for sales made near the reporting date to assess timing of revenue recognition by testing shipping records, sales invoices etc., for sample transactions. • We read confirmations from key customers whichever received and compared the receivable balance in books of accounts to receivable balance as given in the confirmation. We obtained and tested the reconciliation of balances as per books and confirmation of balances provided by such customers.

Key audit matters	How our audit addressed the key audit matter
Existence of Inventories *(as described in Note 2.2.h of the ConsolidatedInd AS financial statements)*	
Inventory pertaining to the Company represents 7.83% of total assets of the Group as at March 31, 2019. Such inventory is held across 6 factories and 9 branches as at the reporting date. Considering the number of locations and the level of inventory held across its factories and branches, as well as the physical verification of inventory at these locations on different dates, the risk of existence of such inventory and the identification of non-moving, obsolete / damaged inventory is a significant area of audit importance.	Our audit response consisted of audit procedures including: • Testing the relevant internal controls, including in specific the testing of the inventory physical verification process that is performed monthly by management at various locations. • We have observed the physical verification of Inventory conducted by management in certain significant locations selected by us. Our procedures in this regard included - Observing compliance of stock count instructions by management personnel; observing steps taken by management to ascertain the existence of inventory on the date of the count (including identification of non-moving, obsolete / damaged inventory), - perform independent inventory counts on sample basis and reconciled the same to the management counts (wherever applicable), and - tested the reconciliation of the differences in inventory quantity between the physical count and the books of accounts. • We performed analytical reviews of disaggregated data of purchases and inventory during the audit period to identify any unusual trends warranting additional audit procedures. • We tested sample of purchase and sales transactions for timing of purchases and sales made near the reporting date to assess whether transactions are recorded in the correct period by testing shipping records, sales / purchase invoices etc., for sample transactions. • We tested whether the adjustments to bring down the cost of inventory items to their net realisable value and allowance for slow moving or non-moving inventory and obsolescence at the reporting date is appropriate by assessing the methodology and assumptions adopted by management in this regard including the related adjustments by testing a sample of inventory items as at the reporting date.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included

in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of subsidiary and controlled entity, whose Ind AS financial statements include total assets of Rs. 4,192.34 lakhs as at March 31, 2019, and total revenues from operations of Rs. 4,147.70 lakhs and net cash inflows of Rs. 2.21lakhs for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and controlled entity, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and controlled entity, is based solely on the report(s) of such other auditors.

(b) Our opinion above on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and controlled entity, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

(d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company and controlled entity, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of a subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of Section 197 read with Schedule V of the Act are not applicable to the controlled entity incorporated in India for the year ended March 31, 2019;

(h) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and controlled entity, as noted in the 'Other matter' paragraph:

i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Ind AS Financial Statements – Refer Note 45 (c) to the Consolidated Ind AS Financial Statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the subsidiary incorporated in India during the year ended March 31, 2019.

For S.R. Batliboi& Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934

Place of Signature: Chennai
Date: May 24, 2019

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

In conjunction with our audit of the consolidated Ind AS financial statements of Beardsell Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Beardsell Limited (hereinafter referred to as the "Holding Company") and its subsidiary company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these Consolidated Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to subsidiary company incorporated in India, and audited by other auditor, is based on the corresponding report of the auditor of such subsidiary company incorporated in India.

For **S.R. Batliboi& Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath NS
Partner
Membership Number: 210934

Place of Signature: Chennai
Date: May 24, 2019

BEARDSELL LIMITED

CIN No : L65991TN1936PLC001428

Consolidated Balance Sheet as at March 31, 2019

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non current assets			
Property, plant and equipment	3a	5,287.12	5,144.88
Capital work in progress	3a	113.78	202.18
Goodwill		242.12	242.12
Intangible assets	3b	10.50	-
Intangible assets under development	3b	84.40	69.25
Financial assets			
Investments	4	51.29	48.32
Loans	5	6.57	11.29
Trade receivables	6	34.01	17.74
Others	7	105.40	106.13
Non-current tax assets (net)	8	88.20	62.89
Other non-current assets	9	0.34	18.89
		6,023.73	**5,923.69**
Current assets			
Inventories	10	1,383.68	1,333.15
Financial assets			
Trade receivables	11	3,875.88	3,782.02
Cash and cash equivalents	12	324.54	157.76
Bank balances other than above	13	312.74	341.02
Loans	14	38.73	46.91
Others	15	87.87	83.02
Other current assets	16	731.34	848.30
		6,754.78	**6,592.18**
TOTAL ASSETS		**12,778.51**	**12,515.87**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	561.98	561.98
Other equity	18	3,472.16	3,557.21
Equity attributable to equity holders of the parent		4,034.14	4,119.19
Non controlling interests		-	-
Total equity		**4,034.14**	**4,119.19**
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	19	1,529.43	1,531.28
Other financial liabilities	20	2.03	3.98
Provisions	21	100.21	75.35
Deferred tax liabilities (net)	22	182.82	183.96
		1,814.49	**1,794.57**
Current liabilities			
Financial liabilities			
Borrowings	23	2,271.25	2,363.26
Trade payables	24		
Total outstanding dues of micro, small and medium enterprises		-	-
Total outstanding dues of creditors other than micro, small and medium enterprises		3,554.61	3,114.00
Other financial liabilities	25	359.49	339.91
Other current liabilities	26	652.90	680.32
Provisions	27	91.63	104.62
		6,929.88	**6,602.11**
Total equity and liabilities		**12,778.51**	**12,515.87**

Summary of significant accounting policies 2.2

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Beardsell Limited

per Bharath N S
Partner
Membership no.: 210934

Amrith Anumolu
Joint Managing Director
DIN : 03044661

V J Singh
Director
DIN : 03129164

Place : Chennai
Date : May 24, 2019

V V Sridharan
Chief Financial Officer

K Murali
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from contracts with customers	**28**	19,307.67	17,310.09
Other income	**29**	59.82	89.90
Finance income	**30**	19.70	28.32
Total income		**19,387.19**	**17,428.31**
Expenses			
Cost of materials consumed	**31**	11,508.01	10,284.87
Purchase of traded goods	**32**	1,910.46	880.37
Changes in inventories of finished goods, work-in-progress and traded goods	**33**	(9.73)	(70.15)
Excise duty on sale of goods	**28**	-	524.88
Employee benefits expense	**34**	1,970.43	1,972.21
Finance costs	**35**	595.49	548.93
Depreciation and amortisation expense	**36**	437.53	403.98
Other expenses	**37**	3,028.66	3,114.31
Total expenses		**19,440.85**	**17,659.40**
Profit/(loss) before exceptional items and tax		**(53.66)**	**(231.09)**
Exceptional items	**38**	**-**	**244.75**
Profit/(loss) before tax		**(53.66)**	**13.66**
Tax expense	**41**		
Current tax		22.58	18.59
Deferred tax		(1.14)	(42.98)
Total tax expense		**21.44**	**(24.39)**
Profit/(loss) for the year		**(75.10)**	**38.05**
Other comprehensive income (OCI)	**39**		
Items not to be reclassified to profit or loss in subsequent periods			
Gain/(loss) on FVTOCI financial assets		(0.32)	8.01
Income tax effect		0.09	(2.49)
Re-measurement gains / (losses) on defined benefit plans		(13.46)	17.39
Income tax effect		3.74	(5.06)
Other comprehensive income/(loss) for the year, net of tax		**(9.95)**	**17.85**
Total comprehensive income/(loss) for the year		**(85.05)**	**55.90**
Attributable to:			
Equity holders of the parent		(85.05)	55.90
Non-controlling interests		-	-
Earnings Per Equity Share Rs.2/- each fully paid (March 31, 2018: Rs.2/- each fully paid)	**40**		
Computed on the basis of total profit/(loss) for the year			
Basic (Rs.)		(0.27)	0.14
Diluted (Rs.)		(0.27)	0.14

Summary of significant accounting policies 2.2

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Bharath N S
Partner
Membership no.: 210934

Place : Chennai
Date : May 24, 2019

For and on behalf of the Board of Directors
Beardsell Limited

Amrith Anumolu
Joint Managing Director
DIN : 03044661

V J Singh
Director
DIN : 03129164

V V Sridharan
Chief Financial Officer

K Murali
Company Secretary

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Cash flows used in / from operating activities		
Profit/(loss) before exceptional items and tax	**(53.66)**	**(231.09)**
Adjustments for		
Depreciation and amortisation expense	437.53	403.98
Loss/ (gain) on sale of property, plant and equipment (net)	(0.95)	(8.35)
Dividend income	(0.06)	(0.01)
Finance income	(19.70)	(28.32)
Allowance for credit loss	7.93	22.11
Finance costs	595.49	548.93
Net loss / (gain) on foreign exchange fluctuations (unrealised)	20.58	9.38
Operating profit before working capital changes	**987.16**	**716.63**
Movement in working capital		
(Increase) / Decrease in inventories	(50.53)	(145.68)
(Increase) / Decrease in current and non-current trade receivables	(118.06)	(60.54)
(Increase) / Decrease in financial and non-financial assets	27.33	13.33
(Increase) / Decrease in other assets	116.96	(91.38)
(Decrease) / Increase in trade payables	420.03	(197.50)
(Decrease) / Increase in financial, non-financial liabilities and provisions	(30.30)	(17.46)
Cash generated from operations	**1,352.59**	**217.40**
Income tax paid	(44.06)	(226.01)
Net cash flows (used in) / from operating activities (A)	**1,308.53**	**(8.61)**
Cash flows (used in) / from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(531.57)	(1,001.46)
Proceeds from sale of property, plant and equipment	15.48	887.46
Deposits made during the year	14.60	(62.84)
Purchase of Investments	(3.29)	(12.99)
Dividends received	0.06	0.01
Finance income received	19.72	29.17
Net cash flows (used in) / from investing activities (B)	**(485.00)**	**(160.65)**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	March 31, 2019	March 31, 2018
Net cash flows (used in) / from financing activities		
Repayment of long - term borrowings (net)	(1.85)	(165.17)
Proceeds from short - term borrowings (net)	(76.42)	916.08
Dividend paid	13.68	(83.64)
Finance cost paid	(592.16)	(544.88)
Net cash flows (used in) /from financing activities (C)	**(656.75)**	**122.39**
Net decrease in cash and cash equivalents (A+B+C)	166.78	(46.87)
Cash and cash equivalents at the beginning of the year	157.76	204.63
Cash and cash equivalents at the year end	**324.54**	**157.76**
Components of cash and cash equivalents		
Cash on hand	9.64	3.84
Cheques / drafts on hand	14.08	45.13
Balances with banks		
On current accounts	300.13	108.04
In deposits with original maturity of less than three months	0.69	0.75
Total cash and cash equivalents	**324.54**	**157.76**

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Bharath N S
Partner
Membership no.: 210934

Place : Chennai
Date : May 24, 2019

For and on behalf of the Board of Directors
Beardsell Limited

Amrith Anumolu
Joint Managing Director
DIN : 03044661

V J Singh
Director
DIN : 03129164

V V Sridharan
Chief Financial Officer

K Murali
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2019
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity Share Capital

Equity Shares of Rs.2/- Each (March 31, 2018: Rs.2/- each), subscribed and fully paid up

	Number of shares	Rs. In Lakhs
As at April 01, 2017	**4,683,168**	**468.32**
Sub-division of nominal value of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each. (Refer note 17.5 (a))	18,732,672	-
4,683,168 bonus shares issued in the ratio of 1 equity share of Rs.2/- each for every 5 existing equity shares of Rs.2/- each. (Refer note 17.5 (b))	4,683,168	93.66
At March 31, 2018	**28,099,008**	**561.98**
Increase/(decrease) during the year	**-**	**-**
At March 31, 2019	**28,099,008**	**561.98**

b. Other Equity

Particulars	Reserves and surplus			Items of OCI	Total
	Securities premium account	General Reserve	Surplus in Profit and loss	FVTOCI reserve	
As at April 01, 2017	**649.31**	**484.61**	2,542.18	0.04	3,676.14
Profit for the year	-	-	38.05	-	38.05
Other Comprehensive Income	-	-	-	17.85	17.85
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred to Retained Earnings	-	-	12.33	(12.33)	-
Total Comprehensive Income	**649.31**	**484.61**	**2,592.56**	**5.56**	**3,732.04**
Transferred from retained earnings	(93.66)	-	-	-	(93.66)
Interim dividend and tax thereon	-	-	(81.17)	-	(81.17)
As at March 31, 2018	**555.65**	**484.61**	**2,511.39**	**5.56**	**3,557.21**
Profit for the year	-	-	**(75.10)**	-	(75.10)
Other Comprehensive Income	-	-	-	(9.95)	(9.95)
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred to Retained Earnings	-	-	**(9.72)**	9.72	-
Total Comprehensive Income	**555.65**	**484.61**	**2,426.57**	**5.33**	**3,472.16**
Interim dividend and tax thereon	-	-	-	-	-
As at March 31, 2019	**555.65**	**484.61**	**2,426.57**	**5.33**	**3,472.16**

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Beardsell Limited

per Bharath N S
Partner
Membership no.: 210934

Amrith Anumolu
Joint Managing Director
DIN : 03044661

V J Singh
Director
DIN : 03129164

Place : Chennai
Date : May 24, 2019

V V Sridharan
Chief Financial Officer

K Murali
Company Secretary

1. Corporate information

The consolidated financial statements comprise consolidated financial statements of Beardsell Limited (the Company) and its subsidiary and controlled entity (collectively, the Group) for the year ended March 31, 2019.

The Group is a prominent manufacturer and supplier of Expanded Polystyrene products, popularly known as thermocole and Prefabricated Buildings that have wide industrial applications. The Group also undertakes erection, commissioning and maintenance works in the field of hot and cold insulation solutions. The Group has major manufacturing facilities in Thane, Chennai, Hyderabad and Karad and branches with geographical spread across India. In addition, the Group has trading operations in domestic and international market.

These consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 24, 2019.

2. Significant accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at fair value (refer accounting policy regarding financial instruments)

The consolidated financial statements are presented in INR and all values are rounded off to the nearest lakh, except when otherwise indicated.

2.2. Summary of significant accounting policies

Basis of consolidation:

The consolidated financial statements comprise the consolidated financial statements of the Company and its subsidiary and controlled entity as at March 31, 2019 as mentioned in Group information. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
(ii) Exposure, or rights, to variable returns from its involvement with the investee, and
(iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee
(i) Rights arising from other contractual arrangements
(ii) The Company's voting rights and potential voting rights
(iii) The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's consolidated financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realised or intended to sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

Based on the nature of products/activities, the Group has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but excludes duties and taxes that are recoverable from tax authorities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably

Material replacement cost is capitalized provided (a) it is probable that future economic benefits associated with the item will flow to the entity and (b) the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced in derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful life.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The Group identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has becomes available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

c) Investment properties

Investment property represents property held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition Criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation of investment property has been provided on the straight-line method over a period as prescribed in Schedule II to the Companies Act, 2013.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

d) Intangible assets

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.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

e) Depreciation and amortisation

Depreciation &amortization is provided using the Straight-Line Method as per the useful lives of the assets estimated by the management:

Asset description	Useful Lives (Years)
Investment property	
Plant & Machinery	5 -15
Building	30 - 60
Property, plant and equipment	
Plant & Machinery	5 - 15
Building	30 - 60
Computers	3
Vehicles	8 - 10
Office Equipment	5
Furniture and fittings	5 - 10

Leasehold assets are amortised using the straight-line method over the remainder of primary lease period.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Finance lease income is allocated to accounting periods so as to reflect a constant periodicrate of return on the net investment outstanding in respect of the lease.

g) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment including impairment on inventories, are recognized in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Inventories

Raw materials, stores & spare parts and stock–in-trade are valued at lower of weighted average cost and estimated net realisable value. Cost includes freight, taxes and duties and is net of credit under GST, VAT, CENVAT scheme, where applicable.

Work-in-progress and finished goods are valued at lower of weighted average cost and estimated net realisable value. Cost includes all direct costs and appropriate proportion of overheads to bring the goods to the present location and condition.

Due allowance is made for slow/non-moving items. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

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

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

i) Revenue from contracts with customers and Other income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

However, Goods and Service tax (GST) are not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition Criteria described below must also be met before revenue is recognised.

i. Sale of products/ goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customers. The normal credit term is in the range of 30 to 90 days upon delivery except for some customers who are on advance payment terms. Revenue from 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.

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

ii. Service Income

Revenue from rendering of services is recognized with reference to the stage of completion determined based on estimate of work performed, and when the outcome of the transaction can be estimated reliably.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Cost to obtain a contract

The Group pays sales commission to agents for obtaining the contract. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions because the amortisation period of the asset that the Group otherwise would have used is one year or less.

iii. Interest income

Revenue is recognised on a time proportion basis using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

iv. Dividend income

Dividend income is accounted for when the right to receive it is established.

v. Rental Income

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

j) Foreign currency transactions

The financial statements are presented in Indian Rupees, which is the functional currency of the Group.

Initial recognition: Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date the transaction first qualifies for the recognition.

Measurement as at Balance Sheet date: Foreign currency monetary items of the Group outstanding at the Balance Sheet date are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Treatment of Exchange Differences: Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in profit or loss.

k) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy from the Government relates to an expense item, it is recognised as income on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs, which they are intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset, i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value of the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

l) Research and development

Revenue expenditure on research and development is expensed when incurred. Capital expenditure on research and development is capitalised under Property, Plant and Equipment and depreciated in accordance with the entity's accounting policy on depreciation.

m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. There are no other obligations other than the contribution payable to the respective fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences, which are expected to occur within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats compensated absences expected not to occur within twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

n) Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax Credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax Credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is estimated based on historical experience and technical estimates. The estimate of such warranty-related costs is reviewed annually.

p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

q) Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

r) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of Borrowing Costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

s) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or
ii. In the absence of a principal market, in the most advantageous market for the asset or liability
iii. The principal or the most advantageous market must be accessible by the Group.

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
ii. 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity Investments

All equity investments in scope of IndAS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's standalone balance sheet) when:

i. The rights to receive cash flows from the asset have expired, or
ii. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of Financial Assets

In accordance with IndAS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and Credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
ii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in Credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets, the Group determines that whether there has been a significant increase in the Credit risk since initial recognition. If Credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if Credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, Credit quality of the instrument improves such that there is no longer a significant increase in Credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected Credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. When estimating the cash flows, the Group is required to consider:

i. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
ii. Cash flows from the sale of collateral held or other Credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off Criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in Credit risk and impairment loss, the Group combines financial instruments on the basis of shared

Credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in Credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include loans and borrowings, trade and other payables.

Subsequent measurement

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the Criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own Credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

De-recognition

A financial liability is derecognised 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.

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

u) Use of estimates

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, like provision for employee benefits, provision for doubtful trade receivables / advances / contingencies, provision for warranties, allowance for slow/non-moving inventories, useful life of Property, Plant and

Equipment, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

v) Cash and cash equivalents

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

For the purpose of the of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

w) Earnings Per Share (EPS)

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

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

x) Equity Investment in Subsidiaries and Controlled entities

Investment in Subsidiaries and Controlled entities are carried at cost in the Separate Financial Statements as permitted under Ind AS 27.

y) Changes in accounting policies and disclosures

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in the year 2018-19, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2018. Under this method, the standard can be applied either to all contracts at that date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard only to contracts that are not completed as at April 01, 2018.

The cumulative effect of initially applying Ind AS 115 to be recognised at the date of initial application was not significant. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18. The application of Ind AS 115 did not have a material impact on the financial statement of the Group.

z) Standards issued but not yet effective

The amendments to Standard that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases, and related Interpretation. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Group has established an implementation team to implement Ind AS 116 related to Leases and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The Group has initiated steps to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group does not have any significant impact on account of this amendment.

3a Property, plant and equipment

Particulars	Freehold land	Leasehold Land	Buildings on Leasehold Land	Buildings on Freehold Land	Plant and Equipment	Computer	Furniture, Fixtures & Office Equipment	Leasehold improvements	Vehicles	Total Property, Plant and equipment	Capital work-in -progress
Gross block											
As at April 01, 2017	693.23	449.51	611.66	858.92	2,824.56	13.00	39.94	2.75	334.16	**5,827.73**	128.30
Additions	10.89	-	-	86.19	667.48	19.28	7.58	7.26	59.57	**858.25**	92.00
Disposals	-	(272.58)	(275.89)	-	(86.87)	-	-	-	-	**(635.34)**	(18.12)
As at March 31, 2018	**704.12**	**176.93**	**335.77**	**945.11**	**3,405.17**	**32.28**	**47.52**	**10.01**	**393.73**	**6,050.64**	**202.18**
Additions	-	-	143.68	10.61	371.98	6.30	3.73	-	57.12	**593.42**	67.62
Disposals	-	-	-	-	(16.16)	-	(0.37)	-	(7.67)	**(24.20)**	(156.02)
As at March 31, 2019	**704.12**	**176.93**	**479.45**	**955.72**	**3,760.99**	**38.58**	**50.88**	**10.01**	**443.18**	**6,619.86**	**113.78**
Depreciation											
As at April 01, 2017	-	4.89	-	67.88	347.81	8.19	18.51	0.21	55.27	**502.76**	-
Charge for the year	-	3.87	16.66	34.09	271.92	10.60	10.74	0.80	55.30	**403.98**	-
Disposals	-	-	-	-	(0.98)	-	-	-	-	**(0.98)**	-
As at March 31, 2018	-	**8.76**	**16.66**	**101.97**	**618.75**	**18.79**	**29.25**	**1.01**	**110.57**	**905.76**	-
Charge for the year	-	1.81	13.45	33.87	302.26	12.68	7.61	1.14	63.83	**436.65**	-
Disposals	-	-	-	-	(6.76)	-	(0.10)	-	(2.81)	**(9.67)**	-
As at March 31, 2019	-	**10.57**	**30.11**	**135.84**	**914.25**	**31.47**	**36.76**	**2.15**	**171.59**	**1,332.74**	-
Net carrying value											
As at March 31, 2018	**704.12**	**168.17**	**319.11**	**843.14**	**2,786.42**	**13.49**	**18.27**	**9.00**	**283.16**	**5,144.88**	**202.18**
As at March 31, 2019	**704.12**	**166.36**	**449.34**	**819.88**	**2,846.74**	**7.11**	**14.12**	**7.86**	**271.59**	**5,287.12**	**113.78**

(a) Charge on assets
The Rupee term loans from Bank of India are secured by equitable mortgage over the land and buildings there on at Karad (4.10 acres), Coimbatore (3.50 acres), Bonthapally (1.40 acres), Chennai -Thiruvallur (6.98 acres), Bihar (3.93 acres), Dahej (2.50 acres) and Thane (1.85 acres). The Company has deposited the orignal title deeds of all the above mentioned properties with the Bank. In addition to the above the Company has also hypothecated its stocks and book debts.

(b) Hire purchase arrangements
The carrying value of vehicles held under hire purchase contracts at March 31, 2019 was Rs. 144.96 lakhs (March 31, 2018: Rs. 189.81 lakhs). Additions during the year include Rs.33.86 lakhs (March 31, 2018: Rs. 23.95 lakhs) of vehicles under hire purchase contracts. Assets under hire purchase contracts are pledged as security for the related hire purchase liabilities.

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

3b Intangible assets

Particulars	Software	Total Intangible assets	Intangible assets under development
Gross block			
As at April 01, 2017	-	-	-
Additions	-	-	69.25
Disposals	-	-	-
As at March 31, 2018	-	-	**69.25**
Additions	11.38	11.38	15.15
Disposals	-	-	-
As at March 31, 2019	**11.38**	**11.38**	**84.40**
Depreciation			
As at April 01, 2017	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
As at March 31, 2018	-	-	**-**
Charge for the year	0.88	0.88	-
Disposals	-	-	-
As at March 31, 2019	**0.88**	**0.88**	**-**
Net carrying value			
As at March 31, 2018	-	-	**69.25**
As at March 31, 2019	**10.50**	**10.50**	**84.40**

Intangible assets under development include new ERP which has been implemented from April 01, 2019

4 Non-current investments (fully paid up)	March 31, 2019	March 31, 2018
Investment in other entities (Quoted equity instruments at fair value through OCI)		
- 18,000 (March 31, 2018 : 18,000) equity shares of Rs. 10/- each fully paid up in Hyderabad EPS Products Private Limited (At cost less provision for impairment allowance Rs. 180,000 (March 31, 2018 : Rs. 180,000))	-	-
- 5,300 (March 31, 2018 : 5,300) equity shares of Rs. 100/- each fully paid up in Pink Packaging & Moulding Private Limited (At cost less provision for impairment allowance Rs. 750,000 (March 31, 2018 : Rs. 750,000))	-	-
- 6,000 (March 31, 2018 : 6,000) equity shares of Rs. 10/- each fully paid up in Sure Energy Systems Private Limited	25.00	25.00
- 1,000 (March 31, 2018 : 1,000) equity shares of Rs. 2/- each fully paid up in Nava Bharat Ventures Limited	1.03	1.35
- 1000 (March 31, 2018 : 1,000) equity shares of Rs. 10/- each fully paid up in Ahmednagar Merchant Co-operative Bank	0.01	0.01
- 2500 (March 31, 2018 : 2500) equity shares of Rs. 10/- each fully paid up in Saraswat Co-operative Bank Ltd	0.50	0.50
- 214,878 (March 31, 2018 : 187,429) equity shares of Rs. 10/- each fully paid up in Frontline Power Corporation Limited	24.75	21.46
Total Investments	**51.29**	**48.32**

5 Loans

Loans to employees - secured, considered good	0.90	2.82
Loans to employees - unsecured, considered good	5.67	8.47
Total	**6.57**	**11.29**

Vehicle loans to employees are secured by hypothecation of vehicles acquired out of the loan.

6 Non-current trade receivables

(Unsecured, considered good unless otherwise stated)

Trade receivables	34.01	17.74
Total	**34.01**	**17.74**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

7 Other non-current financial assets

(Unsecured, considered good unless otherwise stated)

Security Deposits	105.40	106.13
Total	**105.40**	**106.13**

8 Non-current tax assets (net)

(Unsecured, considered good unless otherwise stated)

Advance income tax net of provision for tax	88.20	62.89
Total	**88.20**	**62.89**

		March 31, 2019	March 31, 2018
9	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Capital advance	0.34	18.89
	Total	**0.34**	**18.89**
10	**Inventories**		
	(Cost or net realisable value whichever is lower)		
	Raw materials and packing materials	784.21	771.82
	Work-in-progress	62.83	45.13
	Finished goods	203.73	231.87
	Stock-in-trade (acquired for trading)	234.57	214.39
	Stores and spares	98.34	69.94
	Total	**1,383.68**	**1,333.15**

During the year ended March 31, 2019, Rs. 21.42 lakhs was recognised as an expense to bring the inventories to net realisable value. (Mar 31, 2018 : Rs.Nil)

		March 31, 2019	March 31, 2018
11	**Trade Receivables**		
	Trade receivables	4,207.55	4,096.39
	Total trade receivables	**4,207.55**	**4,096.39**
	Break-up for security details:		
	Considered good - unsecured	3,875.88	3,782.02
	Trade Receivables - credit impaired	331.67	314.37
	Total trade receivables	**4,207.55**	**4,096.39**
	Impairment Allowance (allowance for bad and doubtful debts)		
	Considered good - unsecured	(21.89)	(47.16)
	Trade Receivables - credit impaired	(309.78)	(267.21)
		(331.67)	**(314.37)**
	Total	**3,875.88**	**3,782.02**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

		March 31, 2019	March 31, 2018
12	**Cash and cash equivalents**		
	Balances with Banks		
	On current accounts	300.13	108.04
	In deposits with original maturity of less than three months	0.69	0.75
	Cheques / drafts on hand	14.08	45.13
	Cash on hand	9.64	3.84
	Total	**324.54**	**157.76**

		March 31, 2019	March 31, 2018
13	**Bank Balances other than above**		
	In deposits with original maturity of more than three months but less than twelve months	-	77.27
	In earmarked accounts		
	Unclaimed dividend accounts	17.43	10.96
	Interim dividend accounts	-	20.15
	Balances held as margin money	228.75	194.14
	Others (refer note below)	66.56	38.50
	Total	**312.74**	**341.02**

Balances with banks - Other earmarked accounts represent fixed deposits made in pursuance of Rule 13 of the Companies (Acceptance of Deposits) Rules 2014.

		March 31, 2019	March 31, 2018
14	**Loans (Current)**		
	(Unsecured, considered good unless stated otherwise)		
	Loans to employees - secured	7.54	19.81
	Loans to employees - unsecured	31.19	27.10
	Total	**38.73**	**46.91**
15	**Others current financial assets**		
	(Unsecured, considered good unless stated otherwise)		
	Security deposits	85.06	80.23
	Interest receivable	2.81	2.79
	Total	**87.87**	**83.02**

Breakup of financial assets

	March 31, 2019	March 31, 2018
Valued at fair value through OCI		
Investments	50.78	47.81
Valued at amortised cost		
Non-current and current loans	45.30	58.20
Trade receivables	4,207.55	4,096.39
Cash and cash equivalents	324.54	157.76
Bank balances	312.74	341.02
Other non-current and current financial assets	193.27	189.15
Total financial assets carried at amortised cost	**5,083.40**	**4,842.52**

16 Other current assets

(Unsecured, considered good unless otherwise stated)

	March 31, 2019	March 31, 2018
Advance paid for jobs in progress		
- Considered good	203.13	253.36
- Considered doubtful	41.57	35.09
Advances for supply and services	227.15	284.02
Prepayments	83.70	80.80
Balances with Statutory / Government Authorities	109.43	121.40
Surplus gratuity fund balance	37.08	26.76
Other advances	70.85	81.96
Less: Allowance for credit loss against doubtful advances	(41.57)	(35.09)
Total	**731.34**	**848.30**

17 Share Capital

17.1 Authorised share capital

Equity shares of Rs.2/- each (March 31, 2018: Rs.2/- each)

	Number of shares	Rs. in Lakhs
At April 1, 2017	**10,000,000**	**1,000.00**
Sub-division of nominal value of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each. (Refer note 17.5 (a) below)	40,000,000	-
At March 31, 2018	**50,000,000**	**1,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2019	**50,000,000**	**1,000.00**

17.2 Issued, Subscribed and Paid-up Capital

Equity shares of Rs.2/- each (March 31, 2018: Rs.2/- each)
issued, subscribed and fully paid

	Number of shares	Rs. in Lakhs
At April 1, 2017	**4,683,168**	**468.32**
Sub-division of nominal value of 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each. (Refer note 17.5 (a) below)	18,732,672	-
46,83,168 bonus shares issued in the ratio of 1 equity share of Rs.2/- each for every 5 existing equity shares of Rs.2/- each. (Refer note 17.5 (b) below)	4,683,168	93.66
At March 31, 2018	**28,099,008**	**561.98**
Increase/(decrease) during the year	-	-
At March 31, 2019	**28,099,008**	**561.98**

17.3 Terms/ rights attached to shares

The Company has issued only one class of equity shares having a par value of Rs.2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.4 Details of shareholders holding more than 5% shares in the Company

	March 31, 2019		March 31, 2018	
	Number of shares held	% holding	Number of shares held	% holding
Mr. Bharat Anumolu	7,603,048	27.06%	8,645,536	30.77%
Mrs. Jayasree Anumolu	9,091,614	32.36%	9,091,614	32.36%
M/s. Gunnam Subba Rao Insulation Private Limited	3,328,320	11.84%	3,328,320	11.84%

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

17.5 Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceeding the reporting date:

(a) On May 05, 2017, one equity share of face value Rs.10/- each was split into five equity shares of Rs.2/- each. Accordingly, 10,000,000 authorised equity shares of Rs.10/- each were sub-divided into 50,000,000 authorised equity shares of Rs.2/- each and 4,683,168 fully paid up shares of Rs.10/- each were sub-divided into 23,415,840 fully paid up shared of Rs.2/- each.

(b) On May 06, 2017, the Company issued bonus shares to the existing shareholders, in the ratio of 1:5. The Securities premium account was utilised to the extent of Rs. 93.66 lakhs for the issue of said bonus shares.

18 Other equity

	March 31, 2019	March 31,2018
Reserves and Surplus		
(a) Securities premium account		
Balance at the beginning of the year	555.65	649.31
Less: Equity shares allotted as fully paid bonus shares by capitalization of securities premium (Refer note 17.5 (b))	-	(93.66)
Balance at the end of the year	**555.65**	**555.65**
(b) General reserve		
Balance at the beginning of the year	484.61	484.61
Add: Amount transferred from surplus in the statement of profit and loss	-	-
Balance at the end of the year	**484.61**	**484.61**
(c) Surplus in the statement of profit and loss		
Balance at the beginning of the year	2,511.39	2,542.18
Add: Profit for the year	(75.10)	38.05
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred from FVTOCI reserve	(9.72)	12.33
Less: Interim dividend for the year ended on March 31 2019: Rs. Nil per share (March 31, 2018: Rs. 0.12 per share)	-	(67.44)
Less: Dividend distribution tax on interim dividend	-	(13.73)
Balance at the end of the year	**2,426.57**	**2,511.39**
(d) FVTOCI reserve		
Balance at the beginning of the year	5.56	0.04
Add: Other comprehensive income for the year	(9.95)	17.85
Re-measurement gain/(loss) on Defined Benefit Obligations (net) transferred to Retained Earnings	9.72	(12.33)
Balance at the end of the year	**5.33**	**5.56**
Total other equity	**3,472.16**	**3,557.21**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

19 Borrowings (non-current)

	March 31, 2019	March 31, 2018
Term loans		
Indian Rupee loans from banks (Secured) (a)	604.91	793.84
Long term maturities of finance lease obligation		
Obligations under hire purchase contracts (Secured) (b)	63.40	90.58
Unsecured loans from others		
Unsecured deposits from members - related parties (Refer note 44)	100.18	80.18
Unsecured deposits from members - others	122.45	126.86
Unsecured inter corporate deposits	542.00	517.00
Unsecured loans and advances from related parties (Refer note 44)	377.83	125.31
Total	**1,810.77**	**1,733.77**
Current maturities of non-current borrowings		
Indian Rupee term loans from banks (Secured) (b)	238.45	147.25
Obligations under hire purchase contracts (Secured) (b)	42.89	55.24
	281.34	**202.49**
Less: Amount disclosed under the head "other financial liabilities" (c)	(281.34)	(202.49)
Total non-current borrowings ((a) - (c))	**1,529.43**	**1,531.28**

(i) The Rupee term loans from Bank of India are secured by exclusive charge on the entire fixed and current assets of the Company. They are also secured by deposit of the title deeds of all its properties. These term loans are repayable over a period of 7 years and the average floating interest rate is 10.60% (previous year - 10.50%)
(ii) Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan and taken at an interest rate of 9.50% to 10.50%.
(iii) Deposits from members are accepted at an interest rate of 9.75% to 10.59%
(iv) Inter corporate deposits are accepted at an interest rate of 11.00% to 13.00%
(v) Loans and advances from related parties are at an interest rate of 12.00%

20 Other financial liabilities (non current)

	March 31, 2019	March 31, 2018
Interest accrued but not due on deposits from members		
- From others	2.03	3.98
Total	**2.03**	**3.98**

21 Provisions (non-current)

Provision for compensated absences (refer note 42)	100.21	75.35
Total	**100.21**	**75.35**

22 Deferred tax liabilities: (Net)

		March 31, 2019	March 31, 2018
Deferred tax liability relating to			
On difference between book balance and tax balance of property, plant and equipment		328.08	324.57
Deferred tax impact on fair valuation of Investments		2.69	2.78
	(A)	**330.77**	**327.35**
Deferred tax asset relating to			
Provision for compensated absences		28.19	25.94
Provision for impairment allowance on debtors		119.76	117.45
	(B)	**147.95**	**143.39**
Deferred tax liability (Net)	**(A-B)**	**182.82**	**183.96**

22 Deferred tax liabilities: (Net)

For the year ended March 31, 2019	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant and equipment	324.57	3.51	-	328.08
Provision for compensated absences	(25.94)	(2.25)	-	(28.19)
Provision for impairment allowance on doubtful assets	(117.45)	(2.31)	-	(119.76)
FVTOCI reserve	2.78	-	(0.09)	2.69
	183.96	**(1.05)**	**(0.09)**	**182.82**

For the year ended March 31, 2018	Opening Balance	Recognised in profit & loss	Recognised in OCI	Closing balance
Property, plant and equipment	341.06	(16.49)	-	324.57
Provision for compensated absences	(27.49)	1.55	-	(25.94)
Provision for impairment allowance on doubtful assets	(89.41)	(28.04)	-	(117.45)
FVTOCI reserve	0.29	-	2.49	2.78
	224.45	**(42.98)**	**2.49**	**183.96**

23 Borrowings (Current)

	March 31, 2019	March 31, 2018
Cash credit from banks (secured)	1,853.35	1,725.49
Buyer's credit from banks (secured)	-	135.81
Indian Rupee loans from banks (Secured)	300.06	307.48
Unsecured deposits from members - related parties (refer note 44)	5.00	5.00
Unsecured deposits from members - others	112.84	189.48
Total	**2,271.25**	**2,363.26**

(i) The interest rate on the cash credit and buyer's credit ranges between 10.50% to 11.00%. Refer note 3(a) for details of security. (ii) Refer note (iii) under non-current borrowings for details of security and terms of repayment.

24 Trade payables

	March 31, 2019	March 31, 2018
Outstanding dues to micro, small and medium enterprises	-	-
Outstanding dues to creditors other than micro, small and medium enterprises	3,554.61	3,114.00
	3,554.61	**3,114.00**

Based on the information available with the Company, there are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2019 (March 31, 2018: Nil). Further, the Company has not paid any interest to any Micro and Small Enterprises during the current and previous year.

Term and conditions of the above financial liabilities:
Trade payables are non interest bearing and carry a credit period generally between 30 and 60 days

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	March 31, 2019	March 31, 2018
25 Other financial liabilities (current)		
Current Maturities of long term debt (refer note (ii) below)	238.45	147.25
Current maturities of hire purchase loans (refer note (iii) below)	42.89	55.24
Unclaimed dividend	17.43	10.96
Interest accrued but not due on deposits from members		
- From related parties	0.22	0.50
- From others	6.94	1.38
Interest accrued but not due on promotors loan	2.75	-
Interest accrued but not due on borrowings	1.59	0.19
Payable to employees	49.22	104.23
Dividend payable	-	20.16
Total	**359.49**	**339.91**

(i) Interest payable is normally settled monthly / quarterly throughout the financial year.
(ii) Current maturities of long-term debt pertains to secured term loans taken from banks. Refer note (i) under non-current borrowings for details of security and terms of repayment.
(iii) Hire purchase loans are secured by hypothecation of vehicles acquired out of the loan.

	March 31, 2019	March 31, 2018
26 Other current liabilities		
Statutory liabilities	184.12	141.39
Advances received from customers	323.08	423.76
Advance for sale of land	145.70	115.17
Total	**652.90**	**680.32**
27 Provisions (current)		
Provision for compensated absences (refer note 42)	20.17	13.73
Provision for differential sales tax	38.02	53.87
Other provisions	33.44	37.02
Total	**91.63**	**104.62**
Breakup of financial liabilities		
Valued at amortised cost		
Non current borrowings	1,529.43	1,531.28
Current borrowings	2,271.25	2,363.26
Trade Payables	3,554.61	3,114.00
Other non-current and current financial liabilities	361.52	343.89
Total financial liabilities carried at amortised cost	**7,716.81**	**7,352.43**

28 Revenue from contracts with customers

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Sale of Products		
Finished goods (including excise duty#)	15,263.10	14,861.68
Traded goods	2,133.64	994.33
Sale of services	1,870.53	1,432.48
Other operating revenue		
Scrap sales	40.40	21.60
Total revenue from operations (gross)	**19,307.67**	**17,310.09**

\# Sale of finished goods for the periods upto June 30, 2017 includes excise duty. Effective July 01, 2017, excise duty and most indirect taxes in India have been replaced with Goods and Service Tax (GST). The Company collects GST on behalf of the government. Hence, GST is not included in Revenue from contracts with customers post implementation of GST.

Sale of finished goods includes excise duty collected from customers of Rs.Nil (March 31, 2018 : Rs.524.88 lakhs). Sale of finished goods net of excise duty is Rs.15,263.10 lakhs (March 31, 2018 : Rs.14,336.80 lakhs).

Disaggregated information

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Timing of revenue recognition		
Goods / Services transferred at a point in time	17,437.14	15,877.61
Services transferred overtime	1,870.53	1,432.48
	19,307.67	**17,310.09**
Contract balances		
Trade receivables	3,909.89	3,799.76
Contract assets	203.13	253.36
Contract liabilities	323.08	423.76

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets are recognised over time based on the progress of completion of the service as per the terms of the contract, as the customer simultaneously receives and consumes the benefits provided by the company. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassifed to trade receivables.

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
29 Other income		
Rental income from operating leases	35.96	46.60
Dividend Income	0.06	0.01
Net gain on sale of property, plant and equipment	0.95	8.35
Other non-operating income	22.85	34.94
Total	**59.82**	**89.90**
30 Finance income		
Interest Income on		
- Bank Deposits	18.15	16.85
- Income tax refund	-	10.31
- Others (interest income)	1.55	1.16
Total	**19.70**	**28.32**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
31	**Cost of raw materials consumed**		
	Opening stock	768.34	722.94
	Add: Purchases	11,523.88	10,330.27
		12,292.22	**11,053.21**
	Less : Closing stock	784.21	768.34
	Total cost of raw materials consumed	**11,508.01**	**10,284.87**
32	**Purchase of traded goods**		
	Stock-in-trade - Motors	1,347.27	873.71
	Stock-in-trade - Others	563.19	6.66
	Total	**1,910.46**	**880.37**
33	**Changes in inventories of finished goods, work-in-progress and traded goods**		
	Opening stock		
	Finished goods	231.88	164.31
	Work-in-Progress	45.13	39.52
	Stock-in-trade	214.39	217.41
		491.40	**421.24**
	Closing stock		
	Finished goods	203.73	231.87
	Work-in-Progress	62.83	45.13
	Stock-in-trade	234.57	214.39
		501.13	**491.39**
	Decrease/ (increase) in inventories of finished goods, work-in-progress and traded goods	**(9.73)**	**(70.15)**
34	**Employee benefits expense**		
	Salaries, allowances and wages	1,604.47	1,585.79
	Contribution to provident fund and other funds	169.23	177.45
	Gratuity expense	23.12	48.68
	Staff welfare expenses	173.61	160.29
	Total	**1,970.43**	**1,972.21**
35	**Finance Costs**		
	Interest expense on		
	Term loans and working capital loans	369.15	284.09
	On deposits from members and other deposits	114.26	106.18
	On hire purchase contracts	8.66	10.90
	Delayed payment of Income Tax	22.02	15.09
	Other Borrowing Costs #	81.40	132.67
	Total	**595.49**	**548.93**

Other borrowing cost includes loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

		For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
36	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment	436.65	403.98
	Amortization of intangible assets	0.88	-
	Total	**437.53**	**403.98**

37 Other expenses

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Consumption of stores and spares	149.88	115.57
Service Charges	464.32	397.52
Power and Fuel	877.97	791.68
Repairs & maintenance		
Plant and machinery	59.35	67.06
Buildings	16.87	21.92
Furniture and Equipment	11.24	22.32
Rent	184.18	198.11
Rates and taxes	30.04	80.03
Advertising and sales promotion	92.75	116.73
Vehicle maintenance	47.81	53.59
Insurance	87.29	81.08
Printing and stationery	23.13	25.24
Consultancy and other professional charges	181.86	276.27
Travelling and conveyance	141.16	187.17
Communication expenses	37.60	38.82
Allowance for credit loss	7.93	22.11
Bad debts written off	69.93	11.46
Freight and forwarding charges	349.92	309.23
Donations	27.50	100.23
Sitting fees paid to Directors	6.90	11.70
Bank charges	35.08	21.45
Net loss on foreign currency transactions and translation	20.58	9.38
Miscellaneous Expenses	105.37	155.64
Total	**3,028.66**	**3,114.31**

Payment to auditor (included under consultancy and other professional charges)

As auditor		
- Audit fee	12.00	10.00
- Limited review	9.00	6.40
- Tax audit fee	1.00	1.00
In other capacity		
- Other services (includes certification)	1.50	3.15
- Reimbursement of expenses	0.81	0.77
Total	**24.31**	**21.32**

Details of CSR expenditure

a) Gross amount required to be spent by the Group during the year		11.10	10.59
b) Amount spent during the year ending on March 31, 2019 :	In cash	Yet to be paid in cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	22.30	-	22.30
c) Amount spent during the year ending on March 31, 2018 :	In cash	Yet to be paid in cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	97.35	-	97.35

38 Exceptional items

On November 29, 2017, the Company has transferred leasehold rights on land situated at Plot No. N-32 located at Additional Patalganga Industrial Area, Taluka - Panvel, Maharashtra along with the sale of factory building constructed by the Company on the leasehold land for an aggregate consideration of Rs. 800 lakhs to V-ensure Pharma Technologies Private Limited. Rs.244.75 lakhs being gain on disposal during this year ended March 31, 2018 is shown as an exceptional item.

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018

39 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

FVTOCI reserve		
Gain/(loss) on FVTOCI financial assets	(0.32)	8.01
Deferred tax effect on the gain/(loss) on FVTOCI financial assets	0.09	(2.49)
Re-measurement gains / (losses) on defined benefit plans	(13.46)	17.39
Deferred tax effect on remeasurement costs on net defined benefit liability	3.74	(5.06)
Total	**(9.95)**	**17.85**

40 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

EPS has been restated for the comparative period giving effect to the revised number of shares post stock split of one share having a face value of Rs.10/- into five shares of Rs.2/- each and bonus issue of one share for every five shares as mentioned in note 17.5 (a) and (b).

The following reflects the profit and share data used in the basic and diluted EPS computations:

Profit / (Loss) available for equity shareholders	(75.10)	38.05
Weighted average number of equity shares in computing basic and diluted EPS	28,099,008	28,099,008
Face value of each equity share (Rs.)	2	2
Earnings per share		
- Basic (Rs.)	(0.27)	0.14
- Diluted (Rs.)	(0.27)	0.14

41 Income taxes

The major components of income tax expenses for the year ended March 31, 2019 and March 31, 2018 are:

(i) Profit or loss section

Current tax	22.58	18.59
Deferred tax credit	(1.14)	(42.98)
Total income tax expense recognised in statement of Profit & Loss	**21.44**	**(24.39)**

(ii) OCI Section

Net gain on FVTOCI financial assets	(0.09)	2.49
Net loss on remeasurement of defined benefit plans	(3.74)	5.06
Income tax charged to OCI	**(3.83)**	**7.55**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Profit Before Tax (A)	(53.66)	13.66
Enacted tax rate in India (B)	26.00%	34.61%
Expected tax expenses (C = A x B)	(13.95)	4.73
Tax effect on permanent differences and others		
50% of donation	4.00	50.11
Change in tax rates from FY 2018-19	-	(34.67)
Others	31.39	(44.56)
Total (D)	**35.39**	**(29.12)**
Expected tax expenses after adjusting permanent differences (C+D)	21.44	(24.39)
Total Tax expense	21.44	(24.39)

42 Employee benefits

A. Defined contribution plans

The Group makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs.96.58 Lakhs (March 31, 2018: Rs.97.59 Lakhs) for Provident Fund contributions, Rs.65.51 Lakhs (March 31, 2018: Rs.73.56 Lakhs) for Superannuation Fund contributions and Rs.7.14 Lakhs (March 31, 2018: Rs.6.30 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

B. Defined benefit plans

Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 20 Lakhs. The Group has invested the plan assets with the insurer managed funds (Life Insurance Corporation). The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

The components of gratuity cost recognised in the statement of profit and loss for the years ended March 31, 2019 and March 31, 2018 consist of the following:

Particulars	For the year ended 31-Mar- 2019	For the year ended 31-Mar- 2018
Current service cost	27.02	51.10
Interest cost (net)	(3.90)	(2.42)
Gratuity cost recognised in statement of profit and loss	**23.12**	**48.68**
Return on plan assets (greater)/less than discount rate	2.80	2.94
Actuarial (gains) / losses due to changes in financial assumptions	11.64	(26.36)
Experience adjustments	(0.98)	6.03
Components of defined benefit costs recognised in other comprehensive income	**13.46**	**(17.39)**
Details of the employee benefits obligations and plan assets are provided below:		
Defined benefit obligation	377.49	344.23
Fair value of plan assets	414.57	370.99
Net defined benefit (asset) / liability recognised	**(37.08)**	(26.76)
Details of changes in the present value of defined benefit obligations are as follows:		
Opening defined benefit obligation	344.23	322.44
Current service cost	27.02	51.10
Interest cost	25.58	23.67
Remeasurement gains/(losses) on obligation	10.66	(20.33)
Benefits paid	(30.00)	(32.65)
Defined benefit obligations at the end of the year	**377.49**	**344.23**
Details of changes in the fair value of plan assets are as follows:		
Fair value of plan assets at the beginning of the year	370.99	327.17
Expected return on plan assets	29.48	26.09
Employer contributions	46.90	53.32
Benefits paid	(30.00)	(32.65)
Remeasurement gains/(losses) on plan assets	(2.80)	(2.94)
Plan assets at the end of the year	**414.57**	**370.99**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The principal actuarial assumptions used in determining gratuity obligation for the Group are shown below:

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.77%	7.73%
Rate of return of plan assets	7.77%	7.73%
Attrition rate	1.00%	1.00%
Rate of compensation increase	6.00%	6.00%

Sensitivity Analysis: Impact on defined benefit obligation

(a) Effect of 1% change in assumed discount rate		
- 1% increase	(22.82)	(21.24)
- 1% decrease	26.33	24.45
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	25.54	24.09
- 1% decrease	(22.85)	(21.34)
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	2.08	1.85
- 1% decrease	(2.32)	(2.07)

The expected future cash flows in respect of gratuity were as follows:

Expected future benefit payments		
Within next year	40.94	24.27
Between 2 and 5 years	138.45	102.10
Between 6 and 10 years	135.35	151.74

43 Segment information

Primary segment

Based on internal reporting provided to the chief operating decision maker, insulation and trading are two reportable segments for the Group. Insulation Business includes manufacturing of EPS Products/ prefabricated panels and related service activities. Trading includes motors, export of fabrics, telemedicine equipments, Information Technology Products etc. The above segments have been identified taking into account the organisation structure as well as differing risks and returns of these segments. Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. All expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

For the year ended March 31, 2019

Particulars	Insulation	Trading	Total
Revenue	17,173.84	2,133.83	19,307.67
Segment result	1,046.97	138.14	1,185.11
Less: Finance costs			(595.49)
Less: Unallocable corporate expenses (net of income)			(643.28)
Add: Exceptional items			-
Profit before taxes			(53.66)
Less: Tax expenses			(21.44)
Net profit for the year			**(75.10)**

Particulars	Insulation	Trading	Total
For the year ended March 31, 2019			
Segment assets	11,146.36	558.89	11,705.25
Unallocable assets			1,073.27
Total Assets			**12,778.52**
Segment liabilities	4,587.07	372.39	4,959.46
Unallocable liabilities			3,784.91
Total liabilities			**8,744.37**

For the year ended March 31, 2018

Particulars	Insulation	Trading	Total
Revenue	16,315.94	994.15	17,310.09
Segment result	1,073.27	28.52	1,101.79
Less: Finance costs			(548.93)
Less: Unallocable corporate expenses (net of income)			(783.95)
Add: Exceptional items			244.75
Profit before taxes			13.66
Less: Tax expenses			(24.39)
Net profit for the year			**38.05**
As at year ended March 31, 2018			
Segment assets	10,850.19	373.41	11,223.60
Unallocable assets			1,292.27
Total Assets			**12,515.87**
Segment liabilities	4,375.70	224.84	4,600.54
Unallocable liabilities			3,796.14
Total liabilities			**8,396.68**

Revenue from External Customers

Particulars	March 31, 2019	March 31, 2018
India	18,587.47	17,301.22
Outside India	720.20	8.87

The revenue information above is based on the location of the customers

Non current assets

Particulars	March 31, 2019	March 31, 2018
India	5,495.80	5,416.31
Outside India	-	-

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets under development.

44a Related Party Transactions

Key Management Personnel (KMP) and their relatives	Mr. Bharat Anumolu - Managing Director Mr. Amrith Anumolu - Joint Managing Director Mrs. Jayasree Anumolu - Director / Relative of KMP Mr. S.V. Narasimha Rao - Executive Director (till Sept. 14, 2017) Mrs. Lalithamabal Panda - Relative of KMP Mrs.Vijayalakshmi Ravindranath - Independent Director (till November 29, 2018) Mr. R Gowrishanker - Independent Director Mr.V J Singh - Independent Director Mr. V V Sridharan - Chief Financial Officer Mr. K Murali - Company Secretary Mrs. S N Radha - Relative of KMP
Enterprises over which parties above or their relatives have control / significant influence ('Affiliates')	M/s Gunnam Subba Rao Insulation Private Limited M/s Korean Painting and Plating Pvt Ltd (Formerly "Panda Solar Energy Pvt Ltd") M/s Villasini Real Estate Private Limited

b. Related party transactions for the year ended March 31, 2019

Particulars	Affiliates	Key Managerial Personnel
Transactions during the period		
Lease rent income	3.10	-
Lease rent expense	48.00	-
Managerial remuneration paid		
Mr. Bharat Anumolu	-	76.12
Mr. Amrith Anumolu	-	46.66
Mr. V.V. Sridharan - Chief Financial Officer	-	21.93
Mr. K. Murali - Company Secretary	-	14.30
Public deposits received		
Mrs. Lalithamba Panda	-	20.00
Intercorporate loan received		
M/s. Villasini Real Estate Private Limited	20.00	-
Intercorporate loan repaid		
M/s. Villasini Real Estate Private Limited	20.00	-
Unsecured loan received		
Mr. Bharat Anumolu	-	100.00
Mrs. Jayasree Anumolu	-	25.00
Mr. Amrith Anumolu	-	16.00
Mr. Gowrishanker	-	400.00
Unsecured Loan repaid		
Mr. Bharat Anumolu	-	116.67
Mrs. Jayasree Anumolu	-	21.82
Mr. Gowrishanker	-	150.00
Finance cost during the year on loans		
Mr. Bharat Anumolu	-	4.56
Mr. V.J. Singh	-	0.84
Mr. Amrith Anumolu	-	0.84
Mr. Gowrishanker	-	9.60
Mrs. Jayasree Anumolu	-	1.57
M/s. Villasini Real Estate Private Limited	0.21	-
Balance outstanding as at the year end		
Other advances	33.44	-
Unsecured loan from Mr. Bharat Anumolu	-	79.83
Unsecured loan from Mr. V.J. Singh	-	7.00
Unsecured loan from Mrs. Jayasree Anumolu	-	25.00
Unsecured loan from Mr. Amrith Anumolu	-	16.00
Unsecured loan from Mr. Gowrishanker	-	250.00
Public deposits from Mrs. Lalithamba Panda	-	100.18
Public deposits from Mrs. S.N. Radha	-	5.00
Interest accrued on Fixed Deposit - Mrs. S.N. Radha	-	0.22

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

c. Related party transactions for the year ended March 31, 2018

Particulars	Affiliates	Key Managerial Personnel
Transactions during the period		
Lease rent income	0.52	-
Lease rent expense	48.00	-
Managerial remuneration paid		
Mr. Bharat Anumolu	-	86.37
Mr. S.V. Narasimha Rao	-	3.46
Mr. Amrith Anumolu	-	66.00
Mr. V. V. Sridharan - Chief Financial Officer	-	17.95
Mr. K. Murali - Company Secretary	-	12.20
Public deposits received		
Mrs. Lalithamba Panda	-	10.18
Mrs. S.N. Radha	-	5.00
Public deposits repaid		
Mrs. Lalithamba Panda	-	20.00
Intercorporate loan received		
M/s. Korean Painting and Plating Pvt Ltd	20.00	-
Intercorporate loan repaid		
M/s. Korean Painting and Plating Pvt Ltd	170.00	-
Unsecured loan received		
Mr. Bharat Anumolu	-	154.25
Mrs. Jayasree Anumolu	-	21.82
Mr. V.J. Singh	-	4.00
Unsecured Loan repaid		
Mr. Bharat Anumolu	-	69.75
Finance cost during the year on loans		
Mr. Bharat Anumolu	-	1.56
Mr. V.J. Singh	-	1.52
M/s. Korean Painting and Plating Pvt Ltd	11.22	-
Balance outstanding as at the year end		
Other advances	44.08	-
Unsecured loan from Mr. Bharat Anumolu	-	96.50
Unsecured loan from Mr. V J Singh	-	7.00
Unsecured loan from Mrs. Jayasree Anumolu	-	21.82
Fixed deposits from Mrs. Lalithamba Panda	-	80.18
Fixed deposits from Mrs. S.N. Radha	-	5.00
Interest payable on unsecured loan from Mr. Bharat Anumolu	-	0.28
Interest accrued on Fixed Deposit - Mrs. S.N. Radha	-	0.22

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

45 Commitments and contingencies

a. Leases

Operating lease commitments – Group as lessee

The Group has entered into operating lease arrangements for certain office premises. The leases are non-cancellable and are for a period of 5 years. The lease agreements provide for an increase in the lease payments by 6 to 7 % every year.

The Group has paid Rs.184.18 lakhs (March 31, 2018: Rs. 198.11 lakhs) during the year towards minimum lease payment.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	March 31, 2019	March 31, 2018
Within one year	94.15	91.26
After one year but not more than five years	256.59	74.19
More than five years	-	-
	350.74	**165.45**

b. Commitments

The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided is Rs.49.76 lakhs (March 31, 2018 : Rs.43.78 lakhs).

c. Contingent liabilities

	March 31, 2019	March 31, 2018
(a) Claims against the Group not acknowledged as debts	22.77	22.77
(b) Sales tax demands against which the Group has filed appeals	744.25	592.98
	767.02	**615.75**

Particular	March 31, 2019	March 31, 2018	Period to which the amount relates	Forum where dispute is pending
Under Sales Tax Acts of various states Amount under dispute Amount paid **Net Amount**	 1.79 0.74 **1.05**	 1.79 0.74 **1.05**	1995-96 2000-01 2001-02 2003-04	Deputy Commissioner, Assistant Commissioner & other appellate authorities
Under Central Sales Tax Act, 1956 Amount under dispute Amount paid **Net Amount**	 742.46 56.15 **686.31**	 591.19 50.65 **540.54**	1995-96, 2003-04 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2016-17	High Court, Deputy Commissioner & CTO of various states

d. Events subsequent to the year end.

Subsequent to the year end, the erstwhile Managing Director of the company has filed petition with NCLT under sections 241 to 244 of the Companies Act, 2013. He has sought relief and action against the Directors. The matter is pending before NCLT. Based on the review of the petition, the Board is of the view that these matters have no financial effect on financial statements for the year ended March 31, 2019.

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

46 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made judgement relating to determination of lease classification which has the most significant effect on the amounts recognised in the financial statements.

Operating leases – Group as lessor

The Group has entered into leases on its investment properties. The Group has determined, based on an evaluation of the terms and conditions of the arrangements such as the lease term not constituting a substantial portion of the economic life of the property, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

47 Financial risk management objectives and policies

The Group's principal financial liabilities comprise of bank and other borrowings, deposits, trade and other payables. The main purpose of these financial liabilities is to finance and support the entity's operations. The entity's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The entity is exposed to market risk, credit risk and liquidity risk. The entity's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity's exposure to the risk of changes in market interest rates relates primarily to the entity's long-term debt obligations with floating interest rates. The entity manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the entity's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	March 31, 2019		March 31, 2018	
Increase / decrease in interest rate	+1%	-1%	+1%	-1%
Impact on profit before tax	24.58	(24.58)	25.19	(25.19)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group has not hedged any portion of its expected foreign currency sales as at March 31, 2019 and March 31, 2018.

Foreign currency sensitivity

The following demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates for INR, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

Particulars	Currency	March 31, 2019	March 31, 2018
Trade receivables	USD	31,345.00	29,163.65
Trade receivables	EURO	-	11,236.44
Buyers credit	JPY	-	22,068,140.00

Particulars	Forex Currency	Change in forex rate(%)	Effect on profit before tax (in Rs.)	Effect on pre-tax equity (in Rs.)
31-Mar-19	USD	5% Increase	(108,407)	(108,407)
		5% Decrease	108,407	108,407
31-Mar-18	JPY	5% Increase	(679,037)	(679,037)
		5% Decrease	679,037	679,037
31-Mar-18	EURO	5% Increase	(45,294)	(45,294)
		5% Decrease	45,294	45,294
31-Mar-18	USD	5% Increase	(94,549)	(94,549)
		5% Decrease	94,549	94,549

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk is equal to the carrying amount of financial assets as of March 31, 2019 and March 31, 2018 and April 01, 2017 respectively.

Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments):

	Within 1 year	1 to 5 years	After 5 years	Total
Year ended March 31, 2019				
Borrowings	2,271.25	1,529.43	-	3,800.68
Other financial liabilities	359.49	2.03	-	361.52
Trade payables	3,554.61	-	-	3,554.61
	6,185.35	**1,531.46**	**-**	**7,716.81**
Year ended March 31, 2018				
Borrowings	2,363.26	1,531.28	-	3,894.54
Other financial liabilities	339.91	3.98	-	343.89
Trade payables	3,114.00	-	-	3,114.00
	5,817.17	**1,535.26**	**-**	**7,352.43**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

48 Fair value measurements

The carrying value of financial instruments by categories is as follows:

Particulars	Carrying Value		Fair Value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial assets				
Investments	42.21	38.92	51.29	48.32
Trade receivables	3,909.89	3,799.76	3,909.89	3,799.76
Cash and cash equivalents	324.54	157.76	324.54	157.76
Bank balances other than cash and cash equivalents	312.74	341.02	312.74	341.02
Loans	45.30	58.20	45.30	58.20
Other financials assets	193.27	189.15	193.27	189.15
Total	**4,827.95**	**4,584.81**	**4,837.03**	**4,594.21**
Financial liabilities				
Borrowings	3,800.68	3,894.54	3,800.68	3,894.54
Trade payables	3,554.61	3,114.00	3,554.61	3,114.00
Other financial liabilities	361.52	343.89	361.52	343.89
Total	**7,716.81**	**7,352.43**	**7,716.81**	**7,352.43**

49 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Groups's assets and liabilities.

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying amount	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Carrying amount	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Financial assets								
Measured at amortised cost								
Trade receivables	3,909.89	-	-	3,909.89	3,799.76	-	-	3,799.76
Cash and cash equivalents	324.54	-	-	324.54	157.76	-	-	157.76
Bank balances other than above	312.74	-	-	312.74	341.02	-	-	341.02
Loans	45.30	-	-	45.30	58.20	-	-	58.20
Other financials assets	193.27	-	-	193.27	189.15	-	-	189.15
	4,785.74	-	-	**4,785.74**	**4,545.89**	-	-	**4,545.89**
Asset measured at fair value:								
Investments in other entities - FVTOCI	42.21	51.29	-	-	38.92	48.32	-	-
Equity Investments	**42.21**	**51.29**	**-**	**-**	**38.92**	**48.32**	**-**	**-**
Total Financial assets	**4,827.95**	**51.29**	**-**	**4,785.74**	**4,584.81**	**48.32**	**-**	**4,545.89**
Financial liabilities								
Measured at amortised cost								
Borrowings	3,800.68	-	-	3,800.68	3,894.54	-	-	3,894.54
Trade payables	3,554.61	-	-	3,554.61	3,114.00	-	-	3,114.00
Other financial liabilities	361.52	-	-	361.52	343.89	-	-	343.89
	7,716.81	-	**-**	**7,716.81**	**7,352.43**	-	**-**	**7,352.43**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

50 Capital management

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

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group. The Group determines the amount of capital required on the basis of annual operating plans and long term fleet expansion plans. The funding requirements are met through internal accruals and other long-term / short-term borrowings. The Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Group.

	March 31, 2019	**April 01, 2018**
Borrowings	4,082.02	4,097.03
Less: cash and short-term deposits	(637.28)	(498.78)
Net debt	**3,444.74**	**3,598.25**
Equity	561.98	561.98
Other equity	3,472.17	3,557.21
Total equity	**4,034.15**	**4,119.19**
Gearing ratio	46%	47%

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous periods.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

50 Capital Management

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

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group. The Group determines the amount of capital required on the basis of annual operating plans and long-term fleet expansion plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Group.

	As at March 31, 2019	As at March 31, 2018
Borrowings	4,082.02	4,097.03
Less: Cash and short term deposits	(637.28)	(498.78)
Net debt	**3,444.74**	**3,598.25**
Equity	561.98	561.98
Other equity	3,472.16	3,557.21
Total Equity	**4,034.14**	**4,119.19**
Gearing ratio	46%	47%

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous periods. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as at and for the year ended March 31, 2019 and March 31, 2018

Year Ended 31st March 2019

S.No	Name of the Entities	Net Assets		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount (INR in Lakhs)	As % of Consolidated Profit and Loss	Amount (INR in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (INR in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (INR in Lakhs)
I.	Parent Beardsell Limited	108.61%	4,381.55	-28.68%	21.54	100.00%	-9.95	-13.63%	11.59
II.	Subsidiary Sarovar Insulation Private Limited	-5.02%	(202.49)	-10.17%	7.64	0.00%	-	-8.98%	7.64
III.	Controlled Entity Saideep Polytherm	-3.59%	(144.92)	138.85%	(104.28)	0.00%	-	122.61%	-104.28
	Total		4,034.14		(75.10)		(9.95)		(85.05)

Year Ended 31st March 2018

S.No	Name of the Entities	Net Assets		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount (INR in Lakhs)	As % of Consolidated Profit and Loss	Amount (INR in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (INR in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (INR in Lakhs)
I.	Parent Beardsell Limited	106.09%	4,369.96	121.02%	46.05	100.00%	17.85	114.31%	63.90
II.	Subsidiary Sarovar Insulation Private Limited	-5.10%	(210.13)	-69.93%	(26.61)	0.00%	-	-47.60%	(26.61)
III.	Controlled Entity Saideep Polytherm	-0.99%	(40.64)	48.91%	18.61	0.00%	-	33.29%	18.61
	Total		4,119.19		38.05		17.85		55.90

52 Events after the reporting period

Subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company, the Board of Directors have recommended a final dividend of Rs.0.24 per equity share of Rs.2/- each.

53 Prior year comparatives

The figures of previous year have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Bharath N S
Partner
Membership no.: 210934

Place : Chennai
Date : May 24, 2019

For and on behalf of the Board of Directors
Beardsell Limited

Amrith Anumolu
Joint Managing Director
DIN : 03044661

V J Singh
Director
DIN : 03129164

V V Sridharan
Chief Financial Officer

K Murali
Company Secretary

BEARDSELL LIMITED

ATTENDANCE SLIP

CIN No. : L65991TN1936PLC001428

Regd Office : 47 Graemes Road, Chennai -600 006.
Phone :44-28293296. Website : www.beardsell.co.in

Reg. Folio/DP & Client No______________________ No .of Shares Held ______________________________

I certify that I am a registered Shareholder / Proxy for the registered shareholder of the Company. I hereby record my presence at the 82nd Annual General Meeting of the Company at Hindustan Chamber of Commerce, HC Kothari Memorial Hall, "Greams Dugar", South Wing, 5th Floor, 149 Greams Road, Chennai - 600 006, on Monday, the 30th September, 2019 at 10.00 A.M.

Member's Name : ....

Member's / Proxy's Signature : ....

Proxy's Name : ....

ELECTRONIC VOTING PARTICULARS

Evsn**	User ID	Password
190830002	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
**(Electonic Voting Sequence Number)	(Folio No/DP Client ID)	(Existing Password or Pan No with Bank A/c.No. or DOB)

Note: During the e-voting period, members of the company holding shares as on the cut-off date may cast their vote electronically. The cut-off date for the purpose of e-voting is 24th September, 2019. Please read the instruction given in the e-voting annexure carefully before voting electronically.

Form No. MGT-11

BEARDSELL LIMITED

PROXY FORM

CIN No. : L65991TN1936PLC001428

Regd Office : 47 Graemes Road, Chennai -600 006.
Phone :44-28293296. Website : www.beardsell.co.in

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s) : ______________________________
Registered Address : ______________________________
E-Mail Id :______________________ Folio No./Client Id :______________________DP ID______________
I/We,being the member(s) holding ___________shares of the above named Company, hereby appoint

1. Name:	2. Name:	3. Name:
Address:	Address:	Address:
Email-ID:	Email-ID:	Email-ID:
Signature: .... Or failing him	Signature: .... Or failing him	Signature: ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 82nd Annual General Meeting of the Company at at Hindustan Chamber of Commerce, HC Kothari Memorial Hall, "Greams Dugar", South Wing, 5th Floor, 149 Greams Road, Chennai - 600 006, on Monday, the 30th September, 2019 at 10.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Affix
Re. 1/-
Revenue
stamp

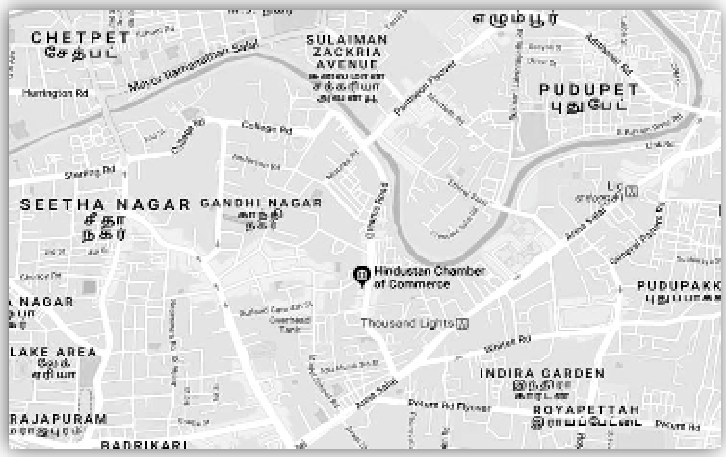
Signed this............day of 2019

Signature of the Proxy

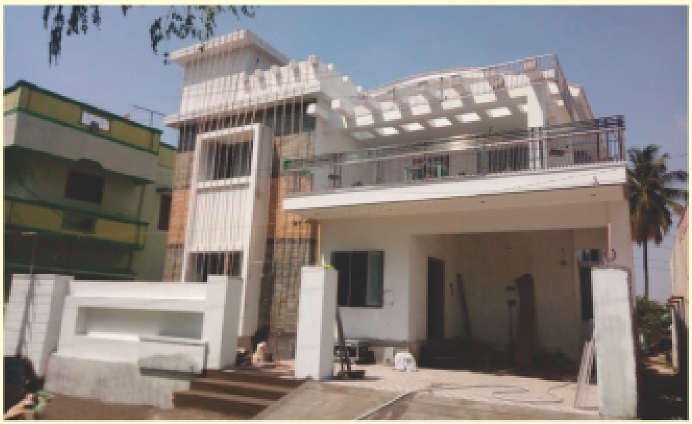
Signature of the shareholder

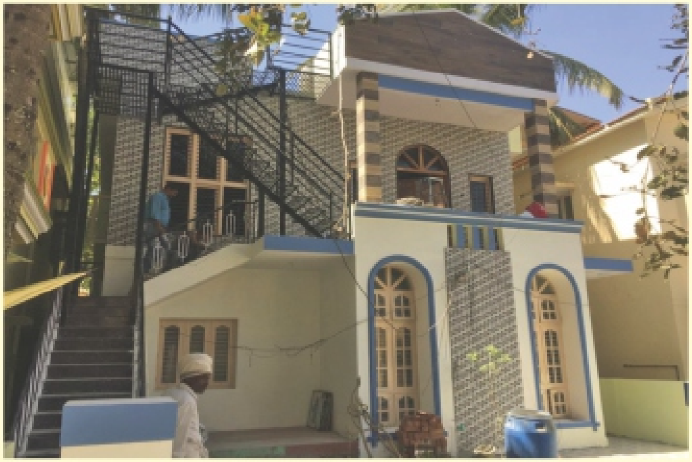
Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed , not less than 48 hours before the time for holding the meeting.

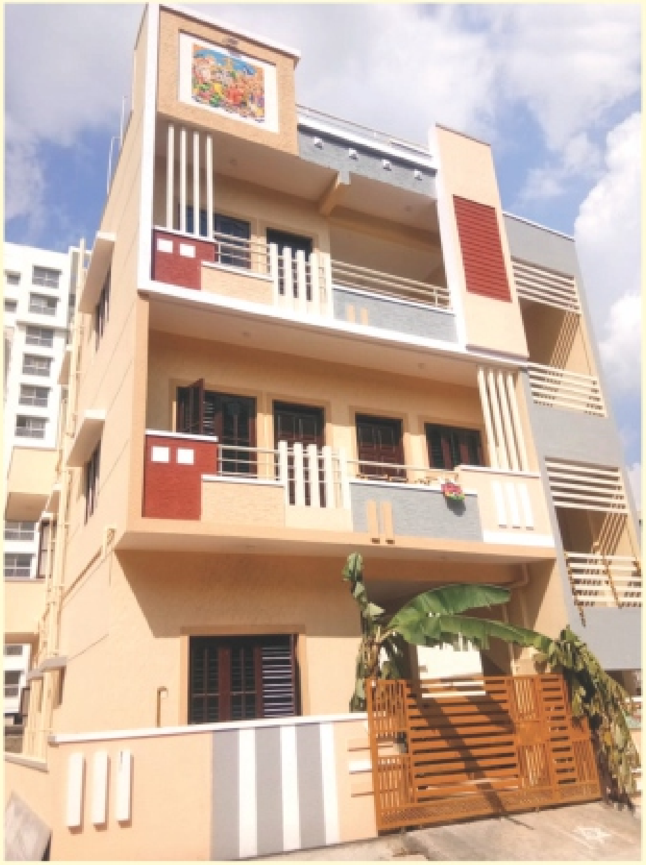
Route Map of Venue of AGM - H.C. KOTHARI MEMORIAL AUDITORIUM, Hindustan Chamber of Commerce is situated at 5TH Floor, South Wing, 149, Greams Road, "GREAMS DUGAR", Thousand Lights, Chennai-600006, Tamil Nadu. It is located in the heart of the city and is well connected from all parts of the City.

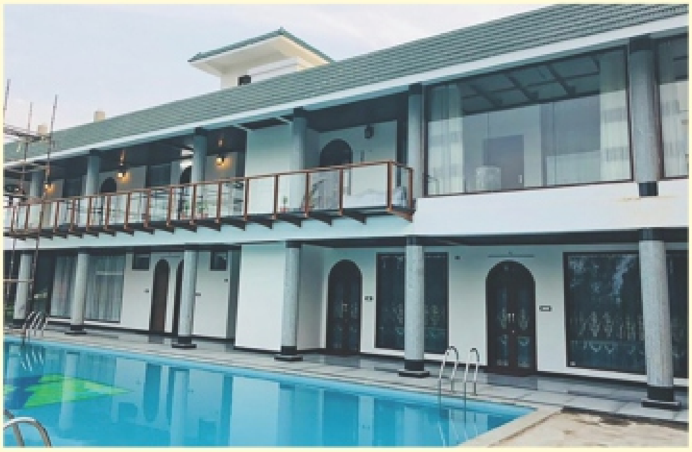


Item No.	Resolutions
1	ORIDINARY BUSINESS (Ordinary Resolutions)
	ADOPTION OF ACCOUNTS (Balance Sheet as at 31st March, 2019, the Statement Profit and Loss of the Company for the year ended on that date, together with the Schedules and Cash Flow Statement for the year ended 31st March, 2019 together with the Directors Report & Audit Report there on)
2	TO DECLARE A DIVIDEND - for the year 2018-19.
3	APPOINTMENT OF DIRECTOR - Mr. AMRITH ANUMOLU
4	APPOINTMENT OF STATUTORY AUDITORS **(Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Registration Number of the firm is 101049W/E300004)**
	SPECIAL BUSINESS :
5	TO ACCEPT / RENEW UNSECURED DEPOSITS FROM SHARE HOLDERS **(Ordinary Resolution)**
6	Appointment of Director - Mr. Gurram Jagannatha Reddy **(Ordinary Resolution)**
7	Re-designation of Mr. Amrith Anumolu as Executive Director and Revision in his Remuneration **(Ordinary Resolution)**
8	Re-appointment of Mr. V.J. Singh as Independent Director **(Special Resolution)**
9	Re-appointment of Mr. R. Gowri Shanker as Independent Director **(Special Resolution)**

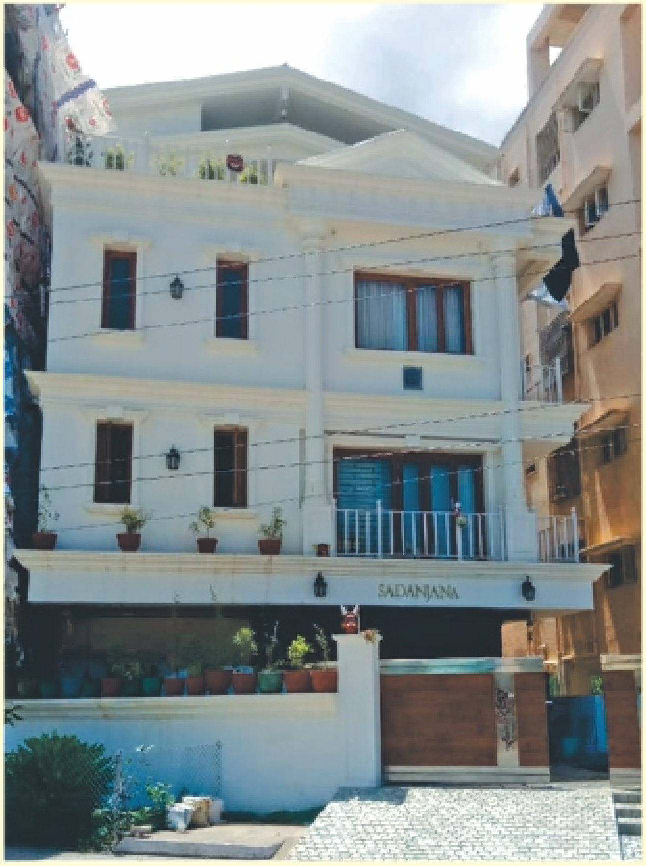

Salem Luxury Villa


Residence JP Nagar


G+2 Work Hegde Nagar


Suite Building, Nellore


Spring Valley Entrance Arch



Residential Project - Nellore

BEARDSELL LIMITED
47, Graemes Road,
Chennai - 600 006
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E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in