



ADDI INDUSTRIES LIMITED
A-106, SECTOR IV NOIDA - 201301 (U P) INDIA
TEL. : 91-120-2529336
E-MAIL : addind@gmail.com, atul.addi@gmail.com
CIN No.: L51109DL1980PLC256335

Sept 4, 2019

Listing Centre

The Listing Department
Bombay Stock Exchange Limited,
Pheroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400 001

Company Code: 507852
Sub: - Submission of 37th Annual Report (2018 – 2019)

Dear Sir / Madam,

In due compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report 2018-19 (both full and Abridged) along with the Notice of the AGM being dispatched to the Shareholders of the Company in the manner prescribed under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the above information on record.

Thanking you,
Yours Faithfully,


C.L. Jain
Managing Director

ADDI INDUSTRIES LIMITED

Encl: As above

SPEED/REGISTERED POST/COURIER

If undelivered, please return to:



ADDI INDUSTRIES LIMITED
CIN: L51109DL1980PLC256335
Corp. Office : A-106, Sector-IV,
Noida-201 301 (U.P.)

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NOTICE

37th ANNUAL GENERAL MEETING 2018-19



ADDI INDUSTRIES LIMITED

CIN: L51109DL1980PLC256335

Regd. Office: 23, Eastern Avenue, Maharani Bagh,
New Delhi-110065.



ADDI INDUSTRIES LIMITED

TO ALL MEMBERS:

NOTICE IS HEREBY GIVEN THAT the 37th Annual General Meeting of the Members of Addi Industries Ltd. will be held on **Monday, September 30, 2019, at 9.00 A.M.** at Community Hall, Block-7, New Bal Vikas Vidyalay, Trilok Puri, Delhi -110091 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statement) for the financial year ended March 31, 2019, together with the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Hari Bansal (DIN No. 00022923), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To re-appoint Smt. Kusum Chopra as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Kusum Chopra (DIN-07137842), a non-executive Independent Women Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and is eligible for re-appointment and whose candidature has been recommended for the office of Director by Nomination and Remuneration Committee of the Board, be and is hereby re-appointed as an Independent Director of the Company who shall hold the office for a term of 5 (five) consecutive years with effect from 31st March, 2020 till 30th March, 2025 on the Board of the Company and whose office shall not be liable to retire by rotation.”

4. To approve continuation of holding of office by Shri. Vishnu Bhagwan Aggarwal

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded for continuation of holding of office by Shri. Vishnu Bhagwan Aggarwal (DIN00022967), a non-executive Independent Director who has attained the age of 75 (Seventy Five) years on May 12, 2012 upto the expiry of his present term of office, on the existing terms and conditions as were agreed at the time of his appointment.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

For & on behalf of the Board
Addi Industries Limited

Sd/-
Chaman Lal Jain
Managing Director
DIN: 00022903

Dated: August 14, 2019
Place: New Delhi



ADDI INDUSTRIES LIMITED

Notes:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- b) **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
- c) The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business as per Item Nos. 3 and 4 hereinabove is annexed hereto.
- d) The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 24th day of September, 2019 to Monday, 30th September, 2019 (both days inclusive).
- e) The Equity Shares of Rs. 10/- each of the Company have been sub-divided/ splitted-up into 2 new Equity Shares of Rs. 5/- each fully paid-up. All those Shareholders, who are still holding the Shares in physical form and have not yet got their Share Certificates of Rs. 10/- each exchanged for new Share Certificates of Rs. 5/- each, are requested to send the same to the Regd. Office of the Company at 23, Eastern Avenue, Maharani Bagh, New Delhi-110 065 for exchange thereof.
- f) The Company's Equity Shares continue to remain listed on the Bombay Stock Exchange Ltd., and the listing fee has been duly paid.
- g) The Equity Shares of the Company are dematerialised and the trading has to be compulsorily in demat mode. Those Shareholders who have not yet got their equity shares dematerialised may approach the Depository Participant with whom they are maintaining account, for getting their Shares dematerialised.
- h) A Statement u/s 129 of the Companies Act, 2013, in respect of the Subsidiary Company, Aum Texfab Pvt. Ltd., is contained hereinafter with the Consolidated Financial Statements. The Annual Accounts of the Subsidiary Company and the related detailed information will be made available to the Holding and Subsidiary Company Investors seeking such information at any point of time. The Annual Accounts of the Subsidiary Company has been kept open for inspection by any investor at the Registered Office of the Company and the Registered Office of the Subsidiary Company i.e. Aum Texfab Private Limited on all working days between 10.00 A.M. to 12.00 'O' Clock.
- i) **REGISTRAR & TRANSFER AGENTS :** The Company has appointed M/s. Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi-110 062, as its Registrar & Transfer Agents (hereinafter referred to as **“Beetal”**). Shareholders may write to them also directly, or communicate with the Company at its Regd. Office, as they may like.
- j) In terms of the provisions of the Companies Act, 2013, Notice of the AGM may be served on Members through electronic means. Members who have registered their e-mail IDs with Depositories or with the Company are being sent this Notice by e-mail and the members who have not registered their e-mail IDs will receive Notice through post/courier.
- k) Pursuant to the Listing Agreement(s) pertaining to Corporate Governance, the particulars of Directors seeking appointment/ re-appointed are annexed hereto and form part of this Notice.
- l) Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.



ADDI INDUSTRIES LIMITED

m) The relevant documents referred to in the accompanying Notice of Meeting and in the Explanatory Statement are open for inspection by the Members of the Company at the Registered Office on all working days between 10:00 A.M. to 12:00 'O' Clock upto the date of this Meeting and copies thereof shall also be available for inspection in physical form at the Registered Office of the Company and also at the Meeting.

n) **Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of the listing agreement, the Company is pleased to provide Members, facility to exercise their right to vote at the 37th AGM by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Friday, September 27th, 2019 at 9.00 A.M.** and ends on **Sunday, September 29th, 2019 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Tuesday, September 24th, 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence no. is printed on the address label. • 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.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the details as mentioned in instruction (v).



ADDI INDUSTRIES LIMITED

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company 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. 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Addi Industries Ltd. on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.,mnbvc1
- (xv) After selecting the resolution you have decided to vote on, click on "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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) 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 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.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 24th, 2019 may follow the same instructions as mentioned above for e-Voting.

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



ADDI INDUSTRIES LIMITED

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.
- (B) The voting period begins **on Friday, September 27th, 2019**(9.00 A.M.) and ends on **Sunday, September 29th, 2019** (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Tuesday, September 24th, 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.co.in under **help section** or **write an email to helpdesk.evoting@cdslindia.com**.

Other Instructions:

- i) The Company has appointed Ms. Jyoti Sharma, Company Secretary in whole-time practice of JVS & Associates as Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner. The Scrutinizer(s) shall within a period not exceeding 3 (three) days from the conclusion of the e-Voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make Scrutinizers' Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- ii) The Result on resolutions shall be declared on or after the AGM of the Company.
The Result declared along with the Scrutinizers' Report shall be pasted on the Notice Board at the Corporate Office of the Company and shall also be communicated to the stock exchange.
- iii) **Members are requested:**
- (a) To bring Attendance Slip duly completed and signed at the meeting and not to carry briefcase or bag inside the meeting venue for security reasons;
- (b) To quote their Folio No./DP Id - Client Id and e-mail ID in all correspondence; and
- (c) To please note that no gift or gift coupons will be distributed at the meeting.

Details of Directors seeking Re-appointment at the Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)

S. No.	Particulars	Smt. Kusum Chopra
1.	Date of Birth	02.03.1947
2.	Date of Appointment	30.03.2015
3.	Qualification	Ph.D. (Textile Technology) from I.I.T. Delhi and M.Sc. (Clothing & Textiles) from M.S. University
4.	Expertise in specific functional area	Please refer Corporate Governance Report 2018-19.
5.	Directorship held in other Public Companies*	Nil
6.	Membership/Chairmanship of Committees**	Nil
7.	No. of Equity Shares held in the Company	Nil
8.	Relationship with other directors	N.A.

*excluding Foreign, Private Limited Companies and Limited Liability Partnership Firm.

**Includes only Audit and Shareholders/Investor Grievance Committee other than Addi Industries Limited



ADDI INDUSTRIES LIMITED

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

Item No. 3

Pursuant to the provisions of the Companies Act, 2013 and Listing Agreement with Bombay Stock Exchange, Smt. Kusum Chopra was appointed as an Independent Women Non-Executive Director of the Company whose tenure ends on 30th March, 2020 due to the applicability of the provisions of Section 149 of the Companies Act, 2013 read with the rules made thereunder and Schedule IV to the Act.

The Nomination & Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Smt. Kusum Chopra as Independent Women Non-Executive Directors for a second term of five consecutive years on the Board of the Company.

The Board of Directors, based on the performance evaluation of Independent Director and as per the recommendation of the Nomination & Remuneration Committee, consider that, given her background and experience & contribution made by her during her tenure, the continued association of Smt. Kusum Chopra would be beneficial to the Company and it is desirable to continue to avail her services as Independent Director.

Accordingly, it is proposed to re-appoint her as Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years on the Board of the Company with effect from 31st March, 2020 till 30th March, 2025.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), inter-alia, provide that an Independent Director of a Company shall meet the criteria of Independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an Independent Director shall hold office for a term of upto five consecutive years on the Board and shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report. Section 149(11) of the Act provides that an Independent Director may hold office for upto two consecutive terms.

The Company has received declaration from Smt. Kusum Chopra that she meet the criteria for independence as prescribed under Section 149 (6) of the Act and under the Listing Regulations and in the opinion of the Board, she fulfill the conditions for re-appointment as Independent Director of the Company as specified in the Act and the Listing Regulations and they are independent of the management.

Copy of draft letter of appointment of Smt. Kusum Chopra setting out the terms and conditions of appointment are available for inspection by the Members at the Registered Office of the Company.

A brief profile of the Independent Director to be re-appointed as per Item No. 3 as stipulated under Regulation 36 (3) of the Listing Regulations are provided in the table annexed to Note No. k of the Notice.

The Directors recommend the Resolution as stated at Item No. 3 of the Notice for approval of the Members by way of Special Resolution.

Smt. Kusum Chopra is interested in the resolution set out at Item No. 3 of the Notice. Her relatives may also be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Item No. 4

The Shareholders of the Company at the 36th Annual General Meeting held on 28th September, 2018 approved re-appointment of Shri. Vishnu Bhagwan Agarwal as a Non-Executive Independent Director of the Company for a period of five years effective from 1st April 2019 through a Special Resolution under the relevant provisions of the Companies Act, 2013 and the rules made thereunder and Securities and



ADDI INDUSTRIES LIMITED

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as inserted w.e.f. 01.04.2019, every listed entity can appoint or continue the directorship of any non-executive director who has attained the age of 75 years only on passing a special resolution to this effect.

Shri. Vishnu Bhagwan Agarwal, Non-Executive Independent Director has attained the age of 75 years during May 2012. The Board of Directors, based on the performance evaluation of Independent Director and as per the recommendation of the Nomination & Remuneration Committee, consider that, given his background and rich experience of varied Industries and expertise knowledge in Finance, Cost Accounting and Audit & Management & the contribution made by him during his tenure, the continued association of Shri. Vishnu Bhagwan Agarwal would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Accordingly, it is proposed to continue his holding of existing office after the age of 75 years during the currency of their term of appointment.

The Board therefore recommends the Resolution as stated at Item No. 3 of the Notice for approval of the Members by way of Special Resolution.

Shri. Vishnu Bhagwan Agarwal is interested in the resolution set out at Item No. 4 of the Notice. His relatives may also be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

For & on behalf of the Board
Addi Industries Limited

Sd/-
Chaman Lal Jain
Managing Director
DIN: 00022903

Dated: August 14, 2019
Place: New Delhi

**ADDI INDUSTRIES LIMITED****Addi Industries Limited**

Regd. Office: 23, Eastern Avenue, Maharani Bagh, New Delhi-110065
CIN: L51109DL1980PLC256335

ATTENDANCE SLIP

37th Annual General Meeting –Monday, September 30, 2019 at 9.00 A.M.
at Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalay, Delhi-110091

DP Id*	Name & Address of the Registered Shareholder/Proxy
Client Id*/Folio No.	
No. of Shares	

I/We certify that I/we am/are registered shareholder/Proxy of the Company.

I/we hereby record my/our presence at the 37th Annual General Meeting of the Company on Monday, September 30, 2019 at 9.00 A.M. at Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalay, Delhi-110091.

Note: Please complete this and hand it over at the Hall.

.....
Signature

*Applicable for the Share(s) held in dematerialized form.

Note: No Gift/Gift Coupon/Refreshment Coupon will be distributed at the Meeting.

**ADDI INDUSTRIES LIMITED****Addi Industries Limited**

Regd. Office: 23, Eastern Avenue, Maharani Bagh, New Delhi-110065
CIN: L51109DL1980PLC256335

PROXY FORM

37th Annual General Meeting – Monday, September 30, 2019 at 9.00 A.M.
at Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalay, Delhi-110091

Name of the Member(s):	E mail Id:
Registered Address	Folio No./Client Id*/DP ID*

I/We being the member(s) holding _____ Shares hereby appoint:

- Name _____ Address _____ email Id _____ or failing him:
- Name _____ Address _____ email Id _____ or failing him:
- Name _____ Address _____ email Id _____ or failing him:

as my/our proxies to attend & vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company on Monday, September 30, 2019 at 9.00 A.M. at Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalay, Delhi-110091 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res No.	Resolution	For#	Against#
1	Adoption of Financial Statements for the financial year ended 31st March, 2019 and the Reports of the Board and Auditors thereon and the consolidated financial statements of the Company for the year ended on that date.		
2.	Re-appointment of Mr. Hari Bansal (DIN : 00022923), who retires by rotation		
3.	To re-appoint Smt. Kusum Chopra (DIN : 07137842) as an Independent Director		
4.	To approve continuation of holding of office Mr..Vishnu Bhagwan Aggarwal (DIN: 00022967) as an Independent Director		

*Applicable for the Share(s) held in dematerialized form.

Signed this _____ day of _____ 2019

.....
Signature of Shareholder

.....
Signature of Proxy holder(s)

Affix Revenue
Stamp of
Appropriate
Value

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered/Corporate Office of the Company not later than 48 hours before the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- #(4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For/or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**37th
ANNUAL REPORT
2018-19**



ADDI INDUSTRIES LIMITED

CIN: L51109DL1980PLC256335

Regd. Office: 23, Eastern Avenue, Maharani Bagh,
New Delhi-110065.

BOARD OF DIRECTORS	:	Shri Chaman Lal Jain DIN 00022903	-	Managing Director
	:	Dr. Bijoya Kumar Behera DIN 01139185	-	Independent Director
	:	Sh. Vishnu Bhagwan Aggarwal DIN 00022967	-	Independent Director
	:	Smt. Kusum Chopra DIN 07137842	-	Independent Director
	:	Shri Hari Bansal DIN 00022923	-	Director
CHIEF FINANCIAL OFFICER	:	Shri Atul Jain		
COMPANY SECRETARY	:	Smt. Nishi Aisha Baig		
BANKERS	:	Punjab National Bank		
AUDITORS	:	B.R. Gupta & Co. Chartered Accountants K-55, Connaught Circus New Delhi-110 001		
REGISTERED OFFICE	:	23, Eastern Avenue, Maharani Bagh, New Delhi-110 065		
WORKS & CORP. OFFICE	:	A-105, 106, Sector IV, Noida - 201 301 (U.P.)		

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DIRECTORS' REPORT

Dear Members

The Directors of your Company present their 37th Annual Report & the Audited Statements of Account of the Company for the financial year ended March 31, 2019.

Financial Results

The performance of your Company for the financial year ended March 31, 2019 is summarized below:

	(Rs./Lakhs)	
	2018-19	2017-18
Turnover & other Income	93.24	56.79
(incl. Exports)	Nil	Nil
Gross Profit before	(48.44)	(40.37)
financial exp. & depreciation		
Less: Financial Expenses	Nil	Nil
Depreciation	15.40	27.44
Exceptional Items	(2.89)	16.25
Net Profit/(Loss) before Tax	(66.73)	(84.06)
Less : Provision for Taxation	Nil	Nil
Income Tax adj. for earlier years	0.23	Nil
Less: Adj. for deferred tax	6.72	(78.57)
Mat credit entitlement	Nil	Nil
Net Profit /(Loss) after tax	(73.68)	(5.49)
Add: Amount b/f from last year	(23.52)	(18.03)
Impact of carrying amount of asset		
Where remaining useful life is Nil	Nil	Nil
Balance transferred to Balance Sheet	(97.20)	(23.52)

Dividend

In view of accumulated losses, the Directors are not in a position to recommend any dividend for the financial year 2018-19.

Operations

The performance of your Company during the financial year under review has been impacted substantially, due to scale-down of operations to negligible, higher input costs, low export orders and subdued cotton & textile markets.

Future Business Prospects

The Board of Directors have been exploring and assessing various available business propositions for diversification including, inter-alia, the manufacturing of Woven Garments, for better prospects, and for augmenting the resources & the profitability of the Company. The Directors are hopeful of improved working results in the ensuing period.

Technology upgradation, modernisation-cum-diversification

The Company has not incurred any expenditure on technology upgradation & modernization of machinery and equipment during the year under report and during the preceding year.

Future Prospects

During the first quarter of the financial year 2019-20, the Company has achieved turnover of Rs. NIL as against Rs. Nil in the corresponding first quarter of the previous year. Strict monitoring is being done to cut down costs and overheads wherever feasible to make the product more price competitive.

Finances

Your Company continues to have the support of its Bankers, Punjab National Bank, for the working capital requirements commensurate with its business activities on need basis.

Deposits

The Company has neither invited nor accepted any deposits from the Public during the year under report.

Particulars of Loans, Guarantees or Investments

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by Company are given in the notes to the financial statements.

Internal Financial Control Systems and their adequacy

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the internal audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the internal audit function reports to the Chairman of the Audit Committee of the Board and to the Managing Director.

Rajeev Shagun Gupta & Co were appointed as Internal Auditors in terms of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations, if any, along with corrective actions thereon are presented to the Audit Committee of the Board.

Directors and Key Managerial Personnel

During the year under review, there was no change in the Board of Directors of the Company.

Mr. Hari Bansal, Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Board of Directors recommends his re-appointment.

The Board of Directors on the recommendation of Remuneration Committee has approved the re-appointment of Smt. Kusum Chopra, as Independent Director of the Company for a period of 5 years w.e.f. 31st March, 2020 till 30th March, 2025, subject to the approval of Shareholders in the ensuing Annual General Meeting.

Declaration by Independent Director

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the requirements of the Listing agreement executed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the various Committees. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment. The Directors expressed their satisfaction with the evaluation process.

Remuneration Policy

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Meetings

A Calendar of Meetings is prepared and circulated in advance to the Directors.

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Audit Committee

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read

with the rules made thereunder and the requirements of the Listing agreement executed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in Report on Corporate Governance forming part of this Report.

Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 the directors would like to state that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The directors have selected such accounting policies and have applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting any fraud or 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; and
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Related party transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the Company at large. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with rules made thereunder.

Amount carried to Reserve

The Company has not transferred any amount to the reserves during the current financial year.

Material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

Changes in Capital Structure

During the year under review, there was no change in the Share Capital of the Company. The Company has neither issued any equity shares with differential rights nor the sweat equity shares nor granted any employee stock options nor the Company has created any provisions for purchase of its own shares, during the year under review.

Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviors of any form.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism policy to deal with the instance of fraud and mismanagement, if any.

In staying true to our values of strength, performance and passion and in line with our vision of being one of the Companies, having highest standards of Corporate Governance and stakeholder responsibility. The periodic report

for any instance is to be reported before the Audit Committee.

Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The Board is responsible for implementation of the Code.

All Board members and the designated employees have confirmed compliance with the Code.

Details of significant & material orders passed by the Regulators or Courts or Tribunals

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Secretarial Auditors

As required under Section 204(1) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2015 the Company had appointed Ms. Puri Singhal, Company Secretary in practice of Singhal & Company to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed as **Annexure-A**.

Auditors

M/s. B.R Gupta & Co., Chartered Accountants were appointed as Statutory Auditors of the Company on 29th September, 2017 for a period of five consecutive years to hold office from the conclusion of 35th Annual General Meeting until conclusion of the 40th AGM to be held in the Calendar year 2022. The Company has received the consent and the requisite Certificate(s) under the Companies Act, 2013, from them.

The ratification of Statutory Auditors of the Company was considered every year in accordance with Section 139 of the Companies Act, 2013. Pursuant to the amendment in the Companies Act, 2013 and rules made thereunder, the ratification of statutory auditors of the Company is not required anymore and hence the said matter is not considered as the part of Annual General Meeting of the Company.

Auditor's Report/Secretarial Audit Report

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

However, observation made in the Secretarial Auditors' Report is regarding the requirement of maintenance of the website and the Company is in the process of maintenance of the website.

Frauds reported by Auditors under Section 143(12) of the Companies Act, 2013

During the year under review, no instances of fraud were reported by the statutory auditors of the Company under Section 143(12) of the Companies Act, 2013.

Extract of Annual Return

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

Subsidiary Company

During the year under review, Aum Texfab Pvt. Ltd. continues to be a Subsidiary of the Company and the contribution of the said Subsidiary Company was insignificant. The consolidated financial statements of the Company and its above said subsidiary form part of the Annual Report.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company as **Annexure-C**.

Consolidated Financial Statements

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013 and in terms of the Listing Agreement entered with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

Corporate Governance

The Management Discussion & Analysis Report and the Report on Corporate Governance, along with the Certificate from the Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the requirements of the Listing agreement executed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in the Annexure, forming part of this Report. The Corporate Governance Report for the financial year ended March 31, 2019 is annexed as **Annexure-D**.

Particulars of Employees

There was no employee who was in receipt of remuneration for the financial year under report in the aggregate of more than Rs. One Crore Two Lakhs per annum, if employed throughout the year or Rs. Eight Lakhs Fifty Thousand per month, if employed for part of the financial year, within the meaning of Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is annexed to this Report as **Annexure-E**.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

The relevant information & data required to be disclosed in terms of the provisions of the Companies Act, 2013 and the rules made thereunder is given in the **Annexure- F** and forms part of this Report.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year under review, no complaints were received from any employee and hence, no action was required to be taken by the Company in accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder and no complaints are outstanding as at 31st March, 2019.

Acknowledgements

Industrial relations continue to be cordial during the year under report. The Directors appreciate the effort and contribution made by the Workers, Staff Members and Executives at all levels. The Directors would also like to thank the Shareholders, Bankers, Customers, and Suppliers & Vendors for the continuous support given by them to the Company, and their confidence in its management.

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Place : New Delhi
Dated : 14.08.2019

Sd/-
Chaman Lal Jain
Managing Director
(DIN: 00022903)

Sd/-
Hari Bansal
Director
(DIN: 00022923)

**Secretarial Audit Report
(For the Financial Year ended March 31, 2019)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015]

To,

The Board of Directors

ADDI INDUSTRIES LIMITED

23, EASTERN AVENUE, MAHARANI BAGH, NEW DELHI – 110065

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADDI INDUSTRIES LIMITED** (hereinafter called the Company) for the financial year ended 31st March, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ADDI INDUSTRIES LIMITED** (“**The Company**”) for the financial year ended on 31st March, 2019 according to the provisions of:
 - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Listing Obligation 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, 1992;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - h. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
 - i. The Memorandum and Articles of Association.
2. We have also examined compliance with the applicable clauses of the following:
 - i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above subject to the following observations:

The Company was required to maintain the website of the Company pursuant to the SEBI (LODR) Regulations, 2015 which is not there in place as on date.

3. We have not examined Compliance with respect to applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.
4. We further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
 - a) maintenance of various statutory registers and documents and making necessary entries therein;
 - b) closure of the Register of Members;
 - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - e) notice of Board meetings and Committee meetings of Directors;
 - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - g) the 36th Annual General Meeting was held on 28th September, 2018;
 - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
 - k) payment of remuneration to Directors including the Managing Director;
 - l) appointment and remuneration of Auditors and Cost Auditors;
 - m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
 - n) borrowings and registration, modification and satisfaction of charges wherever applicable;
 - o) investment of the Company's funds including investments and loans to others;
 - p) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
 - q) Directors' report;
 - r) contracts, common seal, registered office and publication of name of the Company; and
 - s) generally, all other applicable provisions of the Act and the Rules made under the Act.
5. **We further report that:**
 - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - The Company has obtained all necessary approvals under the various provisions of the Act.

- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Singhal & Company
Company Secretaries**

**New Delhi
14.08.2019**

**Sd/-
Purti Singhal
(Proprietor)
Practicing Company Secretary
ACS No. 40565, CP No. 19493**

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN:-	L51109DL1980PLC256335
II.	Registration Date:-	26-December-1980
III.	Name of the Company	Addi Industries Ltd.
IV.	Category / Sub-Category of the Company:-	Company Limited by Shares Indian Non- Government Company
V.	Address of the Registered office and Contact details	23, Eastern Avenue, Maharani Bagh, New Delhi-110065.
VI.	Whether Listed Company Yes/No	Yes
VII.	Name, Address and Contact Details of Registrar and Transfer Agent, If any	Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi- 110 062

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of textiles/Sale of fabric	Group - 131 Class- 1311 Sub class-13111	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section(s)
	Aum Texfab Private Limited Address- B-44, Maharani Bagh, New Delhi-110065.	U17111DL1991PTC043448	Subsidiary	100	2(46) & 2(87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	7516195	0	7516195	69.62	7516195	0	7516195	69.62	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	501980	0	501980	04.65	501980	0	501980	04.65	0
e) Banks/ FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub Total (A) (1):-	8018175	0	8018175	74.27	8018175	0	8018175	74.27	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
Sub Total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	8018175	0	8018175	74.27	8018175	0	8018175	74.27	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	6400	6400	0.06	0	6400	6400	0.06	0
b) Banks /FI	200	5000	5200	0.05	200	5000	5200	0.05	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
Sub Total (B)(1) :-	200	11400	11600	0.11	200	11400	11600	0.11	
2. Non- Institutions									

a) Bodies Corp.									
i) Indian									
ii) Overseas	1063589	4840	1068429	9.89	1062120	4840	1066960	9.88	0.01
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	700115	616594	1316709	12.19	702236	608554	1310790	12.14	0.05
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	352070	0	352070	3.26	358570	0	358570	3.32	0.06
c) Others Clearing Member	0	0	0	0	1	0	1	0.00	0.00
NRIs	5392	200	5592	0.05	5992	200	6192	0.06	0.01
HUF	23999	0	23999	0.22	24286	0	24286	0.22	0.00
Sub Total (B)(2):-	2145165	621634	2766799	25.63	2153205	613594	2766799	25.63	0.00
Total public shareholding (B)=(B)(1)+(B)(2)	2145365	633034	2778399	25.73	2153405	624994	2778399	25.73	0.00
C. Shares held by Custodian for GDRs & ADRs					0				0
Grand Total(A+B+C)	10163540	633034	10796574	100	10171580	624994	10796574	100	

ii). Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Urmila Jain	3714493	34.40	Nil	3714493	34.40	Nil	0
2	Chaman Lal Jain	1689818	15.65	Nil	1689818	15.65	Nil	0
3	Anu Lance	56000	0.52	Nil	56000	0.52	Nil	0
4	Anju Kumari	59100	0.55	Nil	59100	0.55	Nil	0
5	Hari B. Bansal	996118	9.23	Nil	996118	9.23	Nil	0
6	Abhishek Bansal	1000666	9.27	Nil	1000666	9.27	Nil	0
7	Ultimate Investment LLP	501980	4.65	Nil	501980	4.65	Nil	0
	Total	8018175	74.27		8018175	74.27		0

(iii). Change in Promoters' Shareholding (please specify, if there is no change) : There has been no change in the Promoters' holding during the year under review.

(IV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GLOBAL CREDIT CAPITAL LTD.	796308	7.3756	796308	7.3756
2	PNR CAPITAL SERVICES LIMITED	176905	1.6385	176905	1.6385
3	SANDEEP SARAF	143997	1.3337	143997	1.3337
4	SUBRAMANIAN P.	119381	1.1057	119381	1.1057
5	QUANTUM SECURITIES PVT LTD	74190	0.6872	74190	0.6872
6	SAROJ RANI JUNEJA	71662	0.6637	71662	0.6637
7	SANTOSH GUPTA	23530	0.2179	23530	0.2179
8	REKHA JAIN	17519	0.1623	17519	0.1623
9	BRIJ MOHAN RATHI	16328	0.1512	16328	0.1512
10	SAROSH MINOCHER MINOCHER HOMJEE	14026	0.1299	14026	0.1299

(V) Shareholding of Directors and Key Managerial Personnel: Apart from the aforesaid Promoter Director, no other director(s) or Key Managerial Personnel holds any Share in the Company.

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (Rs.)
		Mr. Chaman Lal Jain, Managing Director				
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 9,00,000 p.a.				9,00,000
		NIL				NIL
		NIL				NIL
2.	Stock Option	NIL				NIL
3.	Sweat Equity	NIL				NIL
4.	Commission - as % of profit - others, specify...	NIL				NIL
5.	Others, please specify	NIL				NIL
	Total (A)	Rs. 9,00,000 p.a.				9,00,000
	Ceiling as per the Act	Rs. 42,00,000 p.a.				

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Vishnu Bhagwan Aggarwal	Dr. Bijoya Kumar Behera	Mr. Sukhraj Sharma	Dr. Kusum Chopra	
		Mr. Vishnu Bhagwan Aggarwal	Dr. Bijoya Kumar Behera	Mr. Sukhraj Sharma	Dr. Kusum Chopra	
	1. Independent Directors Fee for attending board / committee meetings	70,000	70,000	22,500	30,000	1,92,500
	• Commission	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	70,000	70,000	22,500	30,000	1,92,500
	2. Other Non-Executive Directors	Mr. Hari Bansal				
	• Fee for attending board / committee meetings	NIL				NIL
	• Commission	NIL				NIL
	• Others, please specify	NIL				NIL
	Total (2)	NIL				NIL
	Total (B)=(1+2)					1,92,500
	Total Managerial Remuneration					10,92,500
	Overall Ceiling as per the Act	Rs. 1 lac for each Board/ Committee meeting attended by these directors.				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Nishi Aisha Baig	Mr. Atul Jain	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,39,000	607000	746000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL	NIL	NIL
2.	Stock Option		NIL	NIL	NIL
3.	Sweat Equity		NIL	NIL	NIL
4.	Commission - as % of profit -others, specify...		NIL	NIL	NIL
5.	Others, please specify		NIL	NIL	NIL
	Total		139000	607000	746000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Place : New Delhi
Dated : 14.08.2019

**Sd/-
Chaman Lal Jain
Managing Director
(DIN: 00022903)**

**Sd/-
Hari Bansal
Director
(DIN: 00022923)**

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. INDUSTRY STRUCTURE & DEVELOPMENTS

It is a recognized fact that the knitwear sector in the textile industry plays an important role in the Indian Economy. This industry, however, is highly competitive and fragmented. During the year 2018-19, the exports of readymade garments have been reduced substantially and the export growth was severely affected due to several internal and external developments. Stiff Global Competition, Changing Technology & Fashion industry and above all failure to resume production have an adverse impact on business prospects and profitability.

2. OPPORTUNITIES & THREATS

The opportunities in the Textile Industry and the increasing growth in export of knitted garments augur well for this vital segment. There is a perceptible change in the outlook and shift for diversified and high value added products.

Textile Companies are always experiencing pricing pressures, lately due to stiff international competition. Besides, lack of modern technology and archaic personnel laws are some of the other areas of significant threats.

Addi Industries is seized of all such factors having adverse effect on its exports. It is always eager and endeavoring to constantly update its plant & equipment for producing the best quality products. A capital expenditure of Nil was incurred during the year on technology upgradation and modernization of machinery & equipment, wherever considered necessary.

Sales in Company's domestic retail outlets are gradually improving. Keeping in view the market requirements, new and diversified product lines are continuously being added in the domestic market.

3. SEGMENT-WISE PERFORMANCE

The Company operates in one segment only i.e. manufacturing of garments. Hence, no segment-wise performance reporting is available.

4. OUTLOOK

Exports in the current year 2018-19 have gone down drastically. The Company has achieved negligible Income from operation of Rs. Nil (upto 30.06.2019) in the first quarter of the Current Financial Year as compared to the turnover of Rs. Nil in the corresponding first quarter of the previous year.

5. RISKS & CONCERNS

The Company places its thrust on product excellence. Judicious risk management policies, strong systems, constant monitoring of various risk factors and a focus on greater market penetration continue to guide the business strategy of the Company. Strict monitoring is done to cut-down costs and overheads, whatever feasible, to make the product more prices competitive.

6. INTERNAL CONTROL SYSTEMS

The Company has instituted a system of internal control and checks, which are supplemented by an on-going programme of internal audits and Management Information System (MIS). An annual planning and budgeting system has been put into practice. The Audit Committee of the Board actively reviews internal control systems as well as financial disclosures normally on every quarterly period.

7. MATERIAL DEVELOPMENTS IN HR

Personal relations during the year under report have been cordial. To conform to international standards, the Company conducts different training programs in-house. The Company has also identified and included specific programs on Health, Safety & Environment in every employee/s performance targets. A self-assessment system is in vogue amongst the staff, and a code of conduct amongst the senior management personnel, which is reviewed by the top management from time to time.

8. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:

Particulars	FY 2018-19	FY 2017-18	% change over previous financial year	Explanation
DEBTORS TURNOVER	NA	NA	NA	NA
INVENTORY TURNOVER	NA	NA	NA	NA
INTEREST COVERAGE RATIO	NA	NA	NA	NA
CURRENT RATIO	NA	NA	NA	NA
DEBT EQUITY RATIO	NA	NA	NA	NA
OPERATING PROFIT MARGIN	(114.10)	(198.43)	(42.49)	Due to increase in sales
NET PROFIT MARGIN	(145.35)	(46.09)	215.36	There is change in net profit because of increase in deferred tax.
SECTOR SPECIFIC EQUIVALENT RATIOS	NA	NA	NA	NA

9. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Return on Net worth for the FY 2018-19: (4.04)

Return on Net worth for the FY 2017-18: (0.29)

Change in Return on Net worth: 129.31

Explanation: There is change in net profit because of increase in deferred tax.

CAUTIONARY STATEMENT

The Statements in the Report of the Board of Directors and the Management Discussion & Analysis Report describing the Company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company's operations are influenced by many external and internal factors beyond the control of the company.

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Place : New Delhi
Dated : 14.08.2019

Sd/-
Chaman Lal Jain
Managing Director
(DIN: 00022903)

Sd/-
Hari Bansal
Director
(DIN: 00022923)

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Chapter IV read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. Corporate Philosophy

The Company is committed to good Corporate Governance. It makes best efforts for and monitors, full compliance with the requirements of Corporate Governance under the Chapter IV read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) and in terms of Regulation 15 (2) of the Regulations, the Company's Net Worth and paid up share capital is less than the prescribed limit and hence Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of regulation 46 and para C,D and E of Schedule V of the Regulations is not applicable to the Company and this is being provided voluntarily.

There is a conscious endeavour to bring about transparency in operations and for maintaining professional approach and accountability so that the return to the shareholders is optimized. Regular meetings of the Board and Committee/s thereof are held for transparency in management, effective leadership and for supervision and control. Risk management and internal control functions are monitored on a regular basis and are geared up to meet the progressive governance standards.

2. Board of Directors

The composition of the Board of Directors, as at 31st March 2019, is six, two Promoter Directors (out of which 1 is executive and other non-executive) and four Non-executive independent Directors. The Agenda and other documents along with relevant information on the business to be discussed and decided in the Board/ Committee Meeting/s are circulated well in advance. The Managing Director is responsible for the conduct of the business as also the day-to-day affairs of the Company. A Certificate of Statutory Compliance of the various rules and regulations, laws & clauses applicable to the Company is placed before the Board at every Meeting on a quarterly basis. The Statutory Auditors are special invitee/s to the Board/ Committee Meeting/s as and when required, and particularly at the time of Annual & Quarterly Financial Statements.

Brief Profile of the Directors:

Shri Chaman Lal Jain, aged 75 years (D.O.B 08.09.1944)(DIN 00022903) is a promoter director and designated as Managing Director of the Company since 01.10.1988. He is B.Com and has about 51 years of rich experience in Textile Industry. Work experience inter-alia includes the Setting up of the existing textile business and makes it possible for an upward surge in its business activities, turnover / exports and profitability over the years and efficiently manages day-to-day monitoring and exercise effective control over the affairs of the Company, helps to achieve its targets. Shri Jain has taken several initiatives to focus on growth, value addition and cost effectiveness besides overseeing the Company's business. He has successfully and in a sustained way, contributed significantly towards improvement and growth of the Company. He is holding 16,89,818 Equity Shares of Rs.5/- each which constitute 15.65% of the Equity Share Capital of the Company.

Shri Hari Bansal, aged 44 years (D.O.B 14.09.1975) (DIN 00022923) is a promoter director of the Company since 12.11.2002 and presently is holding the position of Director in the Company. He is B.Chem. (Engineering) and has about 18 years of rich experience in Textile Industry. Work experience inter-alia includes the expertise knowledge of domestic and export industry pertaining to textile business. He is holding 9,96,118 Equity Shares of Rs.5/- each which constitute 9.23% of the Equity Share Capital of the Company.

Shri Vishnu Bhagwan Aggarwal, aged 82 years (D.O.B 12.05.1937) (DIN 00022967) is an independent non-executive director of the Company since 28.06.2004. He is B.Com (H), FICWA, ACS and has about 48 years of rich experience of varied Industries. He has expertise knowledge in Finance, Cost Accounting and Audit & Management. He does not hold any Equity Share in the Company.

Dr. Bijoya Kumar Behera, aged 60 years (D.O.B 17.04.1959) (DIN 01139185) is an independent non-executive director of the Company since 28.06.2004. He is Ph.D, M. Tech. and has about 33 years of rich experience of Textile Industries and latest textile technology. He does not hold any Equity Share in the Company.

Mr. Sukh Raj Sharma, aged 81 years (D.O.B 01.01.1938) (DIN 05288842) is a Grad.(Econ.), Punjab University, Fellow Member of the Institute of Company Secretaries of India and is also a Fellow Member of the Institute of Cost & Management Accountant. He is having 47 years of vast experience in the field of Finance, Accounts and Secretarial. His last assignment was as a Director (Finance) with the Central Electricity Authority, Ministry of Power, Government of India before taking VRS in 1995. Presently he is a Company

Secretary in Whole-time Practice.

Smt. Kusum Chopra aged 72 years (D.O.B 02.03.1947) (DIN 07137842) is an independent non-executive women director of the Company since 30.03.2015. She is Ph.D. (Textile Technology) from I.I.T. Delhi and M.Sc.(Clothing & Textiles) from M.S. University, Prof. Chopra has around 45 years of teaching, research and professional experience. She joined National Institute of Fashion Technology (NIFT), New Delhi in 1992 after working in Universities of Delhi and Punjab for several years. During her tenure at NIFT she has held the positions of Chairperson – Fashion Design and co-ordinated the setting up of NIFT Centres at Mumbai, Chennai & Kolkatta.

The Board met 4 times on May 28, August 13, December 14, 2018, and February 14, 2019 during the financial year ended March 31, 2019:

Name of the Director & Designation	Executive/ Non Executive/ Independent	No.of Board Meetings held during the year	No. of Board Meeting attended	Attendance at the last AGM on 29.09.2017	Directorships In other Cos. incorporated In India 29.09.2017	Name of the listed entity where the person is Director	Category of Directorship	No. of other Cos. Board Committees, of Which Member /Chairman
Shri Chaman Lal Jain (Managing Director)	Executive (Promoter Grp)	4	4	Present	Nil	-	-	NIL
Shri Vishnu Bhagwan Aggarwal	Non-executive (Independent)	4	4	Present	NIL	-	-	NIL
Smt. Kusum Chopra	Non-executive (Independent)	4	4	Present	1	-	-	NIL
Dr. Bijoya Kumar Behera	Non-executive (Independent)	4	4	Present	1	Seasons Textiles Limited	Independent Director	NIL
Sh. Sukhraj Sharma	Non-executive (Independent)	4	3	Present	Nil	-	-	NIL
Shri Hari Bansal	Non-Executive (Independent)	4	4	Present	Nil	-	-	NIL

None of the Directors on the Board hold the office of Director in more than 10 Companies as Director or as Member of Committee/s of the Board. Particulars of a Director retiring by rotation and being re-elected are given elsewhere in this Report.

None of the non-executive independent Directors hold any shares in the company, either in their own name or in the name of their relatives/associates, or hold shares in any other company exceeding 2% of the share capital of that company.

Shri Chaman Lal Jain, and Shri Hari Bansal are related to each other (as Father-Son relationship), except them none of the other Director of the Company is related with other.

Directors resigned during the year.

There is no change in the Directorship/s of the Company during the year under report.

3. Committee/s of the Board

A. Audit Committee

An Audit Committee is duly constituted in terms of Section 177 of the Companies Act 2013 and the rules made thereunder and in compliance with the requirements of the Listing Agreement. Shri Vishnu Bhagwan Aggarwal, a non-Executive Independent Director, is the Chairman of the Audit Committee. Dr. Bijoya Kumar Behera, Non-Executive Director and Shri Chaman Lal Jain, Managing Director are the other members of this Committee.

Shri Vishnu Bhagwan Aggarwal is a professionally qualified Cost Accountant & Company Secretary, and has the requisite financial acumen and a rich & varied expertise on financial matters. He attended and was present at the Annual General Meeting of the Members held on September 28, 2018.

The Committee relies on the expertise and knowledge of the management, the Statutory Auditors, and the Professionals in carrying out its oversight responsibilities, and for effectively looking after all the financial and other matters specified in the Act *ibid*. The Committee discharges such duties and functions indicated in the Listing Agreement with the Stock Exchange and such other functions as may be specifically delegated to the Committee by the Board from time to time. The Auditors are permanent invitee/s to the meeting/s of the Committee, especially at the time of consideration of Quarterly and Annual Accounts.

Four Meetings of the Audit Committee were held on May 28, August 13, December 14, 2018, and February 14, 2019 during the financial year ended March 31, 2019. All the members of the Audit Committee attended each and every meeting held during the year.

The Company has a "Whistle Blower Policy". Every employee has a right of access to the Audit Committee and its Members, without any information to their Superiors. The Company hereby affirms that it has not denied any personnel access to the Audit Committee of the Company and has provided protection to whistle blowers from any unfair termination and other unfair or prejudicial employment practices.

B. Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Company comprises of three non-executive independent Directors namely Shri Vishnu Bhagwan Aggarwal, Shri Sukhraj Sharma & Dr. Bijoya Kumar Behera and one executive director Shri Chaman Lal Jain, Managing Director, as its members. The Remuneration Committee is empowered to review the remuneration of the Managing Director and Executive Directors. Meeting of the Nomination & Remuneration Committee was held on 13th August 2018 during the Financial Year 2018-19.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted under the Chairmanship of Dr. Bijoya Kumar Behera. The other members of the Committee are Shri Vishnu Bhagwan Aggarwal, Chaman Lal Jain and Hari Bansal. The terms of reference to the Committee *inter-alia* includes the redressal of Shareholders/Investors grievances, de-materialisation/ re-materialisation of Shares, to consider the status of Quarterly Complaints received and redressed.

Four Meetings of the Investor Grievance cum Share Transfer Committee were held on May 28, August 13, December 14, 2018, and February 14, 2019 during the financial year ended 31st March, 2019. All the members of the Committee attended each and every meeting held during the year.

Smt. Nishi Aisha Baig, Company Secretary acts as the Compliance Officer of the Committee. The Company attends the Shareholders'/investors' communications/ grievances expeditiously. No Demat request was pending at the close of the last Financial Year.

D. Committee of Independent Directors

During the year 2018-19, the meeting of Committee of Independent Director was held on May 28, 2018.

4. Remuneration to Directors

The Managing Director & the Whole-time Directors are paid remuneration as decided & approved by the Nomination & Remuneration Committee, the Board and the Shareholders, & thereafter, the approval of the Central Govt. is obtained wherever required. The Company does not have any Stock Option Scheme.

The appointment of the Managing Director & the Whole-time Directors is generally for a period of 5 years or as approved by the Board, and the Central Govt, if required, which can be terminated by giving one month Notice on either side. No severance fee is payable. There are no retirement benefits, but only provision for Leave Encashment and Gratuity to which the Managing Director & other Whole-time Director/s are entitled at the end of their tenure or as per the rules of the Company.

The details of the remuneration paid to the Managing Director and the Whole-time Director during the year under report are given below.

Structure of managerial remuneration during the financial year:

(Rs./Lakhs)

Name	Designation	Salary	Perquisites	Commission	Sitting Fees	Total
Sh. C.L. Jain	Mg. Dir.	9.000	Nil	Nil	Nil	9.000
Sh. V.B. Aggarwal	Director	Nil	Nil	Nil	0.700	0.700
Dr. B.K. Behera	Director	Nil	Nil	Nil	0.700	0.700
Sh. S.R. Sharma	Director	Nil	Nil	Nil	0.225	0.225
Sh. Hari Bansal	Director	Nil	Nil	Nil	Nil	Nil
Mrs. Kusum Chopra	Director	Nil	Nil	Nil	0.300	0.300
Total		9.000	Nil	Nil	1.925	10.925

Perquisites include rent paid. The sitting fees are for attendance of Board/ Committee Meetings.

5. SUBSIDIARY COMPANY:

The Company has a wholly-owned non-listed Subsidiary Company. The Audit Committee reviews the financial statements of the Subsidiary, which are placed before the Audit Committee at its meetings, on quarterly basis. Such Financial Statements are also placed before, and reviewed by the Board of Directors of the Company.

6. General Body Meeting/s

The detail of last three Annual General Meetings is as under:

Date	Time	Location (U.P.)	No. of Special Resolutions Passed
30.09.2016	9.00 a.m.	Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalyal Delhi-110091	Nil
29.09.2017	9.00 a.m.	Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalyal Delhi-110091	1
28.09.2018	9.00 a.m.	Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalyal Delhi-110091	4

POSTAL BALLOT

During the financial year 2018-19, no resolution was passed through Postal Ballot.

7. Disclosures

There were no transactions of a materially significant nature with the Promoters, the Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large, other than transactions with related party as disclosed in the Financial Statements.

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters related to Capital Markets during last three years. There were no penalties imposed nor any strictures passed on the Company by the Stock Exchange, SEBI or any other Statutory Authority relating to the above.

Certificate/s of Compliance signed by the Compliance Officer &/or the Authorised Signatory for the provisions of all applicable laws are regularly being placed before the Board of Directors, which are taken on record in the Board Meeting/s on a quarterly basis.

8. Means of Communication

Financial Results:

The Quarterly, Half Yearly and Annual Financial Results were uploaded on the portal of the Bombay Stock Exchange Ltd. in the prescribed format immediately after the conclusion of the Board Meeting at which the results were taken on record. The Results were published in the Pioneer (English) & Hari Bhoomi (Hindi), newspapers.

The Management Discussion and Analysis Report for the year ended 31st March, 2019 forms part of this Annual Report.

9. General Shareholder Information
A. Annual General Meeting :

Date and Time	:	Monday, September 30, 2019 at 9.00 A.M.
Venue	:	Community Hall, Block-7, Trilok Puri, New Bal, Vikas Vidyalya, Delhi -110091
Financial Calendar*	:	a) 1st Quarter Results – By the mid of August' 19. b) 2nd Quarter Results – By the mid of Nov., '19. c) 3rd Quarter Results – By the mid of Feb., ' 20. d) 4th Quarter Results – By the mid of May' 20.

*Tentative and subject to change.

Date of Book Closure : 24.09.2019 to 30.09.2019 (both days inclusive)

B. Listing on Stock Exchange : Bombay Stock Exchange Ltd., Dalal Street, Mumbai- 400 001.

C. (i). Stock Price Data:

The trading in the Equity Shares of the Company is confined to the Mumbai Stock Exchange, being on-line connectivity:

Period	High (in Rs.)	Low (in Rs.)	Close (in Rs.)	Total Turnover
April 2018	10.50	10.40	10.40	7,152
May 2018	10.90	10.40	10.90	5,309
June 2018	11.40	10.90	11.40	2,786
July 2018	12.28	11.20	11.50	18,922
August 2018	11.50	11.50	11.50	46
September 2018	11.50	9.87	9.87	315
October 2018	9.50	8.00	8.00	24,006
November 2018	-	-	-	-
December 2018	-	-	-	-
January 2019	8.00	8.00	8.00	2,504
February 2019	8.40	8.40	8.40	1,680
March 2019	8.40	8.00	8.00	7,624

D. Registrar & Transfer Agents

Beetal Financial & Computer Services (P) Ltd.,
Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre
Near Dada Harsukh Das Mandir, New Delhi-110 062
Phone : 29961281-82 Fax : 29961284

E. Investors' queries/requests for transfer, transmission, issue of duplicate share certificates, etc. may be sent either to the Regd Office of the Company at 23, Eastern Avenue, Maharani Bagh, New Delhi-110 065, or to the Registrar & Transfer Agents, Beetal Financial & Computer Services (P) Ltd. at the address given above. No Investor queries/ complaints/ grievance was pending for a period of 30 days or more as at 31st March, 2019.

F. Share Transfer System

The Shares of the Company are in compulsory demat mode. Hence, all the transfers are executed electronically.

10. Distribution of Shareholding as on 31st March, 2019

Distribution of Shareholding as on 31st March, 2019:

No. of equity shares held	2019				2018			
	No. of Share holders	% of share holders	No. of shares held	% Share holding	No. of Share holders	% of share holders	No. of shares held	% Share holding
Upto 5000	2913	93.63	8,80,179	8.15	2915	93.66	8,79,730	8.15
5001 to 10000	117	3.76	1,76,516	1.63	116	3.72	1,75,221	1.62
10001 to 20000	45	1.44	1,33,724	1.24	44	1.41	1,31,123	1.21
20001 to 30000	7	0.22	31,687	0.29	8	0.25	36,032	0.33
30001 to 40000	5	0.16	34,022	0.32	5	0.16	34,022	0.32
40001 to 50000	5	0.16	46,533	0.43	5	0.16	46,533	0.43
50001 to 100000	5	0.16	69,765	0.65	5	0.16	69,765	0.65
Above 100001	14	0.45	94,24,148	87.29	14	0.44	94,24,148	87.29
Total	3111	100	1,07,96,574	100.00	3112	100	1,07,96,574	100.00

Shareholding Pattern as on 31st March, 2019:

Particulars	2019		2018	
	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
Promoters & Associates	8018175	74.27	8018175	74.27
Mutual Funds, UTI & Bank	11600	0.11	11600	0.11
Private Corporate Bodies	1068429	9.89	1066960	9.88
Indian Public	1692778	15.67	1693646	15.68
Clearing Member	0	0	1	0.00
NRI's	5592	0.06	6192	0.06
Total	10796574	100.00	10796574	100.00

11. Dematerialisation of Equity Shares

The Equity Shares of the Company are in compulsory demat mode. Out of the total number of 1,07,96,574 Equity Shares of Rs. 5 each, 94.21% i.e. 1,01,71,580 No. of Equity Shares are held in demat form as on 31.03.2019, as against 94.14 % i.e. 1,01,63,540 Equity Shares as on 31.03. 2018.

12. There are no GDRs/ADRs/Warrants or any convertible instruments in the Company.
13. Locations of the Plant and address of the Regd. Office/ Corporate Office:

- a. Registered Office : 23, Eastern Avenue, Maharani Bagh, New Delhi-110065.
- b. Works & Corporate Office : A-106, Sector-IV, Noida – 201 301 (U.P.)

14. The Company has not declared any dividends in the last three financial years and the amounts outstanding as unpaid dividend as on 31st March, 2019 is Nil.
15. Compliance Officer and Contact Address

Smt. Nisi Aisha Baig
 Company Secretary
 Addi Industries Limited
 Corp. Off.: A-106, Sector-IV, Noida – 201 301 (U.P.)
 Tel : 95120-2529336 Fax: 95120-2529334

16. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS:

The status of compliance in respect of non-mandatory requirements of Clause 49 of the Listing Agreement is as follows:

- i) **The Board:** The Company does not have a Non-Executive Chairman on its Board.
All Independent Directors are appointed for a period of 5 Years.
- ii) **Nomination & Remuneration Committee:** Details are given under the heading "Nomination & Remuneration Committee".
- iii) **Shareholders Rights:** The half yearly financial results including any significant events in the last six months were published in the newspapers pursuant to the listing agreement.
- iv) **Audit Qualifications:** During the year under review, there was no qualification on the Company's financial statements for the period ended March 31, 2019.
- v) **Training of Board Members:** The Directors interact with the management in a very free and open manner on information that may be required by them.
- vi) **Mechanism for evaluation on non-executive Board Members:** The performance evaluation of non-executive member is done by the Board annually based on criteria of attendance and contributions at Board/Committee meetings, as also role played/ contributions other than at meetings.
- vii) **Whistle Blower Mechanism:** The Audit Committee had framed a Whistle-Blower Policy, which provides a formal mechanism for all employees of the Company to approach the Management and/ or Audit Committee, and make protective disclosures to the management about unethical behaviour, actual or suspected fraud. The Whistle-Blower Policy requires every employee to promptly report to the Management any possible violation that could affect the business or reputation of the Company. No employee of the Company has been denied access to the Audit Committee.

DECLARATION BY THE CEO/CFO UNDER THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with the Listing Agreement with the Stock Exchange, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective codes of conduct, as applicable to them in the company, for the Financial Year ended March 31, 2019.

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Place : New Delhi
Dated : 14.08.2019

Sd/-
Chaman Lal Jain
Managing Director
(DIN: 00022903)

Sd / -
Hari Bansal
Director
(DIN: 00022923)

AUDITORS' CERTIFICATE

To

The Members of **Addi Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Addi Industries Limited for the year ended on 31st March 2019 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Listing agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and best to of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Listing Agreement of the said Company with stock exchanges.

We further 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.

For B. R. Gupta & Co.
Chartered Accountants,
Firm's Registration Number 008352N

Sd/-
(Deepak Agarwal)
Partner
Membership Number 073696

Place: New Delhi
Date : 14.08.2019

Annexure-E

- A) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19, the percentage increase in remuneration of each Director & Company Secretary during the financial year 2018-19 and comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company.

Name of the Director/KMP	2018-19				
	Designation	Total Remuneration (Rs. p.a.)	Ratio of Remuneration of director to the median remuneration of employees	%age increase in remuneration	Comparison of the remuneration of the KMP against the performance of the Company
Chaman Lal Jain	Managing Director	9,00,000	4.59	0.00%	Loss before tax was Rs. 66.73 Lakhs as compared to Rs. 84.06 Lakhs for the previous FY. Similarly Loss after Tax was Rs. 73.68 Lakhs as compared to Rs. 5.49 Lakhs of the previous FY.
V.B. Aggarwal	Independent Director	70,000	0.36	(15.15%)	There has been no change in the sitting fees for attending the meeting of the Board or Committee thereof during the financial year 2018-19.
Dr. B.K. Behera	Independent Director	70,000	0.36	7.69%	
S.R. Sharma	Independent Director	22,500	0.11	(35.71%)	
Kusum Chopra	Independent Director	30,000	0.15	0.00%	
Nishi Aisha Baig	Company Secretary	1,39,000	0.71	1.56%	
Atul Jain	CFO	6,07,000	3.10	0.00%	

B. Percentage increase in the median remuneration of all employees in the financial year 2018-19:

The median remuneration of employees of the Company during the financial year was Rs. 1,96,120. In the financial year, there was a decrease of 9.59%.

C. Number of permanent employees on the rolls of the Company as March 31, 2019:

There were 9 permanent employees on the rolls of Company as on March 31, 2019.

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Place : New Delhi
Dated : 14.08.2019

Sd/-
Chaman Lal Jain
Managing Director
(DIN: 00022903)

Sd/-
Hari Bansal
Director
(DIN: 00022923)

Energy Conservation, Technology Absorption and Foreign Exchange earnings & outgo
Conservation of Energy

The Company has been regularly monitoring the process of energy conservation through improved operational and maintenance activities. Various measures namely maximum use of natural day light, arresting leakages of air and steam and proper insulation for preventing loss of heat etc. have been implemented, to minimise losses. These measures have and are resulting in cost savings for the Company.

Total energy consumption & consumption per unit during the year ended 31st March, 2019, is as per Form 'A' below :

FORM 'A'
A. Power and Fuel Consumption:

		Current year 31.3.2019	Previous Year 31.3.2018
1.	ELECTRICITY		
	(a) Purchased		
	Units	27424	30174
	Total amount (Rs./Lacs)	2.60	3.10
	Rate/unit (Rs.)	9.00	10.27
	(b) Own Generation		
	i) Through diesel generator Units	Nil	Nil
	Unit per ltr. of diesel oil	Nil	Nil
	Cost/unit (Rs.)	Nil	Nil
	ii) Through steam turbine/generator	N.A.	N.A.
2.	COAL		
	Qty. (Kgs.)	N.A.	N.A.
	Value (Rs./Lacs)	N.A.	N.A.
3.	FURNACE OIL/ LDO/HSD		
	Qty. (Ltrs.)	Nil	Nil
	Value (Rs.Lacs)	Nil	Nil
	Rate/Unit (Rs.)	Nil	Nil
4.	OTHERS : INTERNAL GENERATION		

B. Consumption per unit of production:

Product	(Unit)	Electricity (Units)		Furnace Oil(KL)		Coal (KG.)	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
Ready made Garments	1000 Pcs.	N.A.#	N.A.#	-----	---	---	---

Company has not produced readymade garments, therefore this information is not applicable.

Technology Absorption

The requisite particulars are given in Form B below:

FORM 'B'

Research and Development (R&D) : R&D has always been a crucial factor, being carried out in manufacturing operations. The Company continues to give due attention and stress on R&D activities to achieve maximum benefit for process and product by adapting all round technological development. This is of utmost importance in today's customer-driven market, where both quality and lower cost are dominant factors. Beside development of new designs, high value added specifications/ product and such like measures are imperative in the trade. The cumulative measures taken to update and use the latest technology for improvement in productivity are yielding positive results and are enabling the Company to concentrate upon high value added products. Expenditure on R&D is booked to respective heads as it is not separately identified.



Technology Absorption, Adoption and Innovation: The Company puts proper emphasis on absorption of design and manufacturing technology. Priority is given in using latest technology for improving productivity, product quality and reducing wastage in consumption of raw materials, consumables and fuels. No technology import is required, since the product manufacturing is specific and subjective operation.

Foreign Exchange Earnings and Outgo : Total Foreign exchange earned and used :

		(Rs./Lacs)
	31.3.2019	31.3.2018
Earnings :	Nil	Nil
Outgoings :	Nil	Nil

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Place : New Delhi
Dated : 14.08.2019

**Sd/-
Chaman Lal Jain
Managing Director
(DIN: 00022903)**

**Sd/-
Hari Bansal
Director
(DIN: 00022923)**

Independent Auditor's Report

To The Members of Addi Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Addi Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 6 in the financial results, which specify that the Company is in process of exploring the modalities to start new business venture, however the Company has not yet implemented the same. During the year ended March 31, 2019, although the Company has incurred a net loss of ₹ 69.63 lakh but it has a positive net worth of ₹ 1,825.61 lakh as on that date. This situation indicates the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, in view of future business opportunities, the Management is of the view that going concern basis of accounting is appropriate for preparation of the accompanying standalone financial statement. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	<p>Recognition of Tax credits</p> <p>The Company has recognised Minimum Alternate Tax (MAT) credit receivable of ₹ 4.50 lakhs and Deferred Tax Assets of ₹ 60.08 lakhs in financial statements as at March 31, 2019.</p> <p>The recognition of MAT credit and Deferred Tax Assets (together referred to as 'Tax Credits' hereinafter) is a Key Audit Matter as the recoverability of such tax credits within the allowed frame involves significant estimate of the financial projections availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Company.</p>	<p>Our Audit procedures in relation to recognition of tax credits includes the following:</p> <ul style="list-style-type: none"> ✓ Evaluated Company's accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 'Income Taxes'. ✓ We assessed the Management's long term financial projections and the key assumptions used in the projections by comparing it to the approved business plan and projections. ✓ We involved our tax specialists to evaluate the Company's tax position by comparing it with prior years and past precedents. ✓ We assessed the disclosures in accordance with the requirements of Ind AS 12 'Income Taxes'. <p>Our procedures as mentioned above did not identify any findings that are significant for the financial statements as whole in respect of recognition of tax credits.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charge with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, the board of directors 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 board of director 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 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 with reference to standalone financial statements 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 standalone 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 financial statements, including the disclosures, and whether the standalone 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 financial statements of the current period 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.

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 "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. On the basis of written representations received from the management of the Company, the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note No. 30 to the standalone 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.
3. With respect to the matter to be included in the Auditors' report under Section 197(16):
- In our opinion and according to the information and explanation given to us, the Company has not paid or provided any managerial remuneration to any director during the year.

For **B.R. Gupta & Co.**
Chartered Accountants,
Firm's Registration Number 008352N

Sd/-
(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature: New Delhi
Date: 29th May, 2019

Annexure 'A' to the Independent Auditors' Report of even date on the standalone financial statement of Addi Industries Limited

- i) In respect of fixed assets (Including Property, Plant and Equipment):**
 - a) In the earlier years, the fixed assets register of the company was misplaced and the company is still in the process of retrieval and updating the fixed assets register. Hence we are unable to comment with regard to quantitative details and situation of fixed assets.
 - b) As explained to us, physical verification of major fixed assets has been conducted by the Management at appropriate intervals. In our opinion, the program is reasonable having regard to the size of the Company and the nature of the fixed assets. Further, in view of our comments in para (a) above, the discrepancies, if any, between the book records and the physical verification has not been ascertained.
 - c) On the basis of information and explanation provided by the Management, no leasehold immovable property is held by the Company during the year. In case of immovable property that have been taken on lease and disclosed as property, plant and equipment in the financial statements, we report that the lease agreement are in name of the Company.
- ii) In respect of its inventory:**
 - a) On the basis of information and explanation provided by the Management, inventories have been physically verified by the Management during the year. In our opinion the frequency of physical

verification followed by the management is reasonable. However, there was no inventory at the end of the financial year.

- b) We have been explained that no material discrepancies were noticed on verification between the physical stocks and the book records during the financial year. However, there was no inventory at the end of the financial year.
- iii) (a) to (c) According to the information and explanation given to us, the Company had not granted loans, secured or unsecured, to any of the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2016, and Companies (Cost Records and Audit) Amendment Rules, 2017 dated July 14, 2016 and December 7, 2017 respectively to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with appropriate authorities. Further, there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or goods and service tax or duty of customs or duty of excise or value added tax, except the following, which have not been deposited on account of any dispute:

S. No.	Name of the Statute	Nature of Dues	Amount (in ₹)	Period to which the amt. relates	Forum where the dispute is pending
1	ESI Act	ESI	7,742,020	During 1995-1996 to 1998-1999	Allahabad High Court

- viii) The Company does not taken any loans or borrowings from any financial institution, banks, Government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) The Company has paid / provided managerial remuneration to its directors during the year in accordance with provisions of section 197 read with Schedule V to the Companies Act, 2013 as applicable to the Company.
- xii) The Company is not a Nidhi Company; accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) During the course of our examination of the books and records of the Company, all transactions entered with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements etc, as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

xv) In our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with him covered u/s 192 of Companies Act. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B. R. Gupta & Co,**
Chartered Accountants,
Firm Registration Number 008352N

Sd/-
(Deepak Agarwal)
Partner
Membership No. 073696

Place of Signature: New Delhi

Date: 29th May, 2019

Annexure 'B' to the Independent Auditors' Report of even date on the standalone financial statement of Addi Industries Limited

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

We have audited the internal financial controls with reference to standalone financial statements of **Addi Industries Limited ("the Company")** as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2019, based on "the internal control with reference to standalone financial statements 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 **B.R. Gupta & Co.**
Chartered Accountants,
Firm's Registration Number 008352N

Sd/-
(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature: New Delhi
Date: 29th May, 2019

**Balance Sheet As At March 31, 2019**

(All Amount in ₹ lakh, unless otherwise stated)

Particulars	Notes	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	254.91	278.12
(b) Capital Work in Progress	4	4.56	4.56
(c) Financial Assets			
(i) Investments	5	265.82	265.82
(ii) Other financial assets	6	35.25	41.37
(d) Deferred Tax Assets (Net)	7	60.08	68.23
(e) Non-Current Tax Assets (Net)	8	13.36	11.16
(f) Other Non-Current Assets	9	705.47	702.59
Total Non-Current Assets		1,339.45	1,371.85
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	10	-	-
(ii) Cash and Cash Equivalents	11	13.78	11.15
(iii) Bank balance other than (ii) above	12	395.64	436.18
(iv) Others financial assets	6	112.78	115.07
(c) Other Current Assets	9	1.87	1.89
Total Current Assets		524.07	564.29
Total Assets		1,863.52	1,936.14
Equity And Liabilities			
Equity			
(a) Equity Share Capital	13	540.00	540.00
(b) Other Equity	14	1,285.61	1,355.24
Total Equity		1,825.61	1,895.24
Liabilities			
Non-Current Liabilities			
(a) Provisions	15	11.08	10.32
Total Non-Current Liabilities		11.08	10.32
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	16		
(A) Total outstanding dues of micro and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro and small enterprises		8.18	8.76
(b) Other current liabilities	17	3.18	3.09
(c) Provisions	15	15.47	18.73
Total Current Liabilities		26.83	30.58
Total Equity And Liabilities		1,863.52	1,936.14
Significant Accounting Policies	2.3		

The accompanying notes form an integral part of these financial statements

As per our Audit Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N

Sd/-
(Deepak Agarwal)

Partner

Membership Number 073696

Place of Signature: New Delhi

Date: 29th May, 2019

For and on behalf of the Board of Directors of**Addi Industries Limited**Sd/-
(S.R. Sharma)

Director

DIN 05288842

Sd/-
(V.B. Aggarwal)

Director

DIN 00022967

Sd/-
(Nishi Aisha Baig)
Company Secretary
Membership No.: 27741Sd/-
(Atul Jain)
Chief Financial Officer

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

(All Amount in ₹ lakh, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Revenue From Operations	18	50.69	11.91
II. Other Income	19	42.55	44.88
III. Total Income (I + II)		93.24	56.79
IV. Expenses			
(a) Purchases of Stock-in-Trade	20	50.01	-
(b) Changes in Inventories of Finished goods, Stock-in-trade and Work-in-progress	21	-	10.91
(c) Employee Benefits Expense	22	37.25	42.81
(d) Depreciation and Amortisation Expense	23	15.40	27.44
(e) Other Expenses	24	54.42	43.44
Total Expenses		157.08	124.60
V. Profit/ (Loss) Before Exceptional Items and Tax (III-IV)		(63.84)	(67.81)
VI. Exceptional Items	25	(2.89)	(16.25)
VII. Profit/ (Loss) Before Tax (V-VI)		(66.73)	(84.06)
VIII. Tax Expense:	26		
Current Tax		-	-
Tax adjustment for earlier years		0.23	-
Deferred Tax charge/(release)		6.72	(78.57)
Total Tax Expense		6.95	(78.57)
IX. Profit/(Loss) For The Year (VII-VIII)		(73.68)	(5.49)
X. Other Comprehensive Income	27		
(A) (i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement of defined benefit plans		5.47	1.23
(ii) Income tax on items that will not be reclassified to Profit or Loss		(1.42)	(0.32)
(B) (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax on items that will be reclassified to Profit or Loss		-	-
Profit or Loss Other Comprehensive Income For The Year, Net of Tax (A+B)		4.05	0.91
XI Total Comprehensive Income For The Year, Net of Tax (IX+X) (Comprising Profit(Loss) and other Comprehensive Income for the period)		(69.63)	(4.58)
XII Earnings Per Share: (Face Value ₹ 5 Per Share)	28		
1) Basic (amount in ₹)		(0.68)	(0.05)
2) Diluted (amount in ₹)		(0.68)	(0.05)

Significant Accounting Policies

2.3

The accompanying notes form an integral part of these financials statements

As per our Audit Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N

For and on behalf of the Board of Directors of
Addi Industries Limited
Sd/-
(Deepak Agarwal)

Partner

Membership Number 073696

Sd/-
(C.L. Jain)

Managing Director

DIN 00022903

Sd/-
(S.R. Sharma)

Director

DIN 05288842

Sd/-
(V.B. Aggarwal)

Director

DIN 00022967

Sd/-
(Nishi Aisha Baig)

Company Secretary

Membership No.: 27741

Sd/-
(Atul Jain)

Chief Financial Officer

Place of Signature: New Delhi

Date: 29th May, 2019

Statement of Changes in Equity for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

A. Equity Share Capital	Amount
Opening Balance as at April 01, 2017	540.00
Changes during the year	-
Closing Balance as at March 31, 2018	540.00
Changes during the year	-
Closing Balance as at March 31, 2019	540.00

B. Other Equity

	Reserves and Surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance as at April 1, 2017	57.99	1,318.51	(16.68)	1,359.82
Profit For The Year	-	-	(5.49)	(5.49)
Remeasurements of net defined benefit plans (Net of Tax)	-	-	0.91	0.91
Balance as at March 31, 2018	57.99	1,318.51	(21.26)	1,355.24
Profit For The Year	-	-	(73.68)	(73.68)
Remeasurements of net defined benefit plans (Net of Tax)	-	-	4	4.05
Balance as at March 31, 2019	57.99	1,318.51	(90.89)	1,285.61

Significant Accounting Policies

2.3

The accompanying notes are an integral part of the financials statements

As per our Audit Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N

Sd/-
(Deepak Agarwal)
 Partner
 Membership Number 073696

**For and on behalf of the Board of Directors of
 Addi Industries Limited**

Sd/-
(C.L. Jain)
 Managing Director
 DIN 00022903

Sd/-
(S.R. Sharma)
 Director
 DIN 05288842

Sd/-
(V.B. Aggarwal)
 Director
 DIN 00022967

Place of Signature: New Delhi
 Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
 Company Secretary
 Membership No.: 27741

Sd/-
(Atul Jain)
 Chief Financial Officer

Statement of Cash Flows for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
A. Cash Flow From Operating Activities		
Profit Before Tax	(66.73)	(84.06)
Adjustments for :		
Depreciation / Amortisation	15.40	27.44
Loss/(Profit) on sale of property, plant and equipment	2.89	16.25
Amounts written back	-	0.11
Interest Income	(42.31)	(44.77)
Operation Profit Before Working Capital Changes	(90.75)	(85.03)
Adjustment For :		
(Increase)/ Decrease in Other Financial Assets	6.12	3.10
(Increase)/ Decrease in Other Assets	(2.87)	(4.72)
(Increase)/ Decrease in Inventory	-	10.92
Increase / (Decrease) in Other Liabilities	0.09	(12.36)
Increase / (Decrease) in Trade Payables	(0.58)	
(Increase)/ Decrease in Provisions	2.97	9.23
Net Cash Generated From Operations	(85.02)	(78.86)
Direct Taxes Paid (Net of Refund Received)	(2.43)	-
Net Cash From Operating Activities	(A) (87.45)	(78.86)
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	-	(0.51)
Sale of Property, Plant and Equipment	4.94	11.19
Proceeds From Maturity of Fixed Deposits (net)	40.54	8.86
Interest Received	44.60	61.55
Net cash Used In Investing Activities	(B) 90.08	81.09
C. Cash Flow From Financing Activities		
Net Cash Used In Financing Activities	(C) -	-
Net Increase in Cash & Cash Equivalent (A+B+C)	2.63	2.23
Opening Balance of Cash and Cash Equivalents	11.15	8.92
Total Cash And Cash Equivalent (Note No. 11)	13.78	11.15
Components Of Cash And Cash Equivalents		
Cash on hand	1.06	0.68
With banks - on current account and deposits with banks	12.71	10.47
Total Cash and Cash equivalent (Note No. 11)	13.78	11.15
Significant Accounting Policies	2.3	

The accompanying notes form an integral part of these financials statements
As per our Audit Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Sd/-
(Deepak Agarwal)
Partner
Membership Number 073696

Sd/-
(C.L. Jain)
Managing Director
DIN 00022903

Sd/-
(S.R. Sharma)
Director
DIN 05288842

Sd/-
(V.B. Aggarwal)
Director
DIN 00022967

Place of Signature: New Delhi
Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
Company Secretary
Membership No.: 27741

Sd/-
(Atul Jain)
Chief Financial Officer

Notes to Financial Statements for the year ended March 31,2019**Note 1 :****Corporate Information**

Addi Industries limited (the company) is a public limited company incorporated in the year 1980 under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the manufacturing and marketing of readymade garments.

The Registered office of the company is located at 23, Eastern Avenue, Maharani Bagh, New Delhi-South Delhi-110065

The Financial Statements for the year ended March 31, 2019 were approved by the Board of Directors on May 29, 2019

Note 2.1 :**Statement of Compliance**

The Financial Statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 and read with of the Companies (Indian Accounting Standards) Rules,2015 as amended from time to time.

Note 2.2 :**Basis of Preparation**

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. During the Year ended March 31, 2019, although the Company has incurred a net loss of ₹ 69.63 lakhs but it has a positive net worth of ₹ 1,825.61 lakhs as on that date. The Board of Directors are evaluating new business ventures & they are hopeful of achieving better working results in the future. Therefore the accounts of the Company have been prepared on Going concern basis. The principal accounting policies are set out below.

The financial statements are presented in ` and all values are rounded to the nearest lakh upto two decimal places except otherwise stated.

Application of New Accounting Pronouncements

The following Ind As pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules 2018, were applied by the Company during the year:

Ind As 115, Revenue from Contracts with Customers with effect from April 1, 2018

Appendix B to Ind AS 21, Foreign Currency Transactions and advance consideration with effect from April 1, 2018

Note 2.3 :**Significant accounting policies****a) Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

b) Use of Estimates and Judgements :

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. Also, the company has made certain judgements in applying accounting policies which have an effect on amounts recognized in the financial statements.

i) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

iv) Defined benefit plans

The present value of the gratuity and compensated absences 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 and mortality rates. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the actuary considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

v) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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.

Liabilities:

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for the purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) 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.

Operating cycle: The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Revenue recognition & Purchase Recognition

Revenue is to be recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the company apply the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price,
- (4) Allocate the transaction price to the performance obligations in the contract
- (5) Recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the company uses expected cost plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the goods sold & services rendered:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Purchases are recognized upon receipt of such goods by the Company. Purchases of imported goods, if any are to be recognised after completion of custom clearance formalities and upon receipt of such goods by the Company at the warehouse.

e) Property, Plant and Equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under Ind AS.

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Glow-sign Boards, which have no salvage value are charged to the Statement of

Profit & Loss.

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

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

Decommissioning Costs : The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Depreciation : Depreciation on PPE are provided to the extent of depreciable amount on straight line basis (SLM). Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Leasehold Land and Leasehold Improvements are amortised over the period of lease or useful life of assets whichever is lower. The residual values, useful lives are reviewed at each financial year end and adjusted appropriately.

Asset costing less than ₹ 5000/- has been depreciated fully in the year of purchase only.

f) Inventories

Items of inventories are to be measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. The cost of various components of inventory is determined as follows;-

Raw Materials, Stores, Spares and Packing Material	Cost includes purchase price, non refundable duties, taxes and all other costs incurred in bringing the inventories to their present location. Cost is determined on First In First Out (FIFO) basis.
Stocks-in-process and Finished Goods	Cost includes material cost and also includes an appropriate portion of allocable overheads. Cost is determined on First In First Out basis.
Traded Goods	Cost includes purchase cost, duties, taxes and all other costs incurred in bringing the inventory to their present location. Cost is determined on First In First Out (FIFO) basis.

g) Employee's Benefits

Expenses and Liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19 – Employees Benefits issued by the Company (Indian Accounting Standard) Rules, 2015.

Short Term Employee Benefits: All employees' benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus are recognized in the period in which the employee renders the related services at undiscounted amount.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance Schemes are defined contribution scheme and contributions paid / payable are recognised as an expense in the statement of profit and loss during the year in which the employee renders the related service.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.

Re-measurements, comprising actuarial gains and losses including, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other Long Term Employee Benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains / loss are recognised in Statement of Profit & Loss.

h) Foreign Currency Transactions

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (` in lakhs) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information are presented in ` in lakhs except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement. Non-monetary items that are measured in terms of historical cost in a foreign currencies are not retranslated.

i) Leases

- a) In respect of transaction entered into prior to April 1, 2001; lease rentals of asset acquired are charged to statement of profit and loss.
- b) Lease transactions entered into on or after April 1, 2001:

The Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

- Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals in case of Operating leases are charged to the statement of profit & loss on accrual basis over the lease term.

j) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

(i) Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

a) Financial assets

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

- Financial Asset carried at amortised cost
- Financial Asset at fair value through other comprehensive income (FVTOCI)
- Financial Asset at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

• **Financial Asset carried at amortised cost**

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

• **Financial Asset at fair value through other comprehensive income (FVTOCI)**

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

• **Financial Asset at fair value through profit and loss (FVTPL)**

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

• **Equity investment in Subsidiary**

Investments in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

The Company had elected for one time Ind AS 101 exemption and adopted carrying cost of its investment in equity shares of its wholly owned subsidiary as its deemed cost as at the date of transition.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial 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.

(b) Financial Liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost**Loans and borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the statement of 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. This category generally applies to borrowings.

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 (if any) in the respective carrying amounts is recognised in the statement of profit and loss.

(c) 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

k) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

l) Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

m) 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.

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:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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. 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.

n) Taxes on Income : Tax expense comprises current and deferred tax.

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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized 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.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses (if any). 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 balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.

Contingent liability is disclosed in the case of ;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provision, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

p) Earning per share

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

- For the purpose of calculating Diluted Earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

q) Cash Flow Statement

The cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated as specified in Indian Accounting Standard 7 - Cash Flow Statement.

r) Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks 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.

s) Segment Reporting

The Company has the policy of reporting the segments in a manner consistent with the internal reporting provided to the chief decision maker. The chief decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Notes to Financial Statements for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

Notes 3 : Property, Plant and Equipment

Particulars	Leasehold Land	Buildings	Building (Office)	Plant & Equipment	Furniture & fixtures	Vehicles	Computer System	Office equipment	Total
Gross Carrying Amount									
As At April 1, 2017	111.98	106.90	59.56	73.93	6.09	4.52	0.11	3.70	366.79
Add: Additions made during the year	-	-	-	-	-	-	-	0.51	0.51
Less: Disposals/adjustments during the year	-	-	-	27.36	0.08	-	-	-	27.44
As At March 31, 2018	111.98	106.90	59.56	46.57	6.01	4.52	0.11	4.21	339.86
Add: Additions made during the year	-	-	-	-	-	-	-	-	-
Less: Disposals/adjustments during the year	-	-	-	3.34	4.10	0.19	-	0.44	8.07
As At March 31, 2019	111.98	106.90	59.56	43.23	1.91	4.34	0.11	3.78	331.79
Accumulated Depreciation and Amortisation									
As At April 1, 2017	1.72	10.59	1.23	18.54	0.06	1.82	-	0.36	34.32
Add: Amortization/Depreciation charge for the year	1.72	9.55	1.23	13.95	0.06	0.58	-	0.36	27.45
Less: Disposals/adjustments during the year	-	-	-	-	-	-	-	-	-
As At March 31, 2018	3.44	20.14	2.45	32.49	0.11	2.40	-	0.71	61.77
Add: Amortization/Depreciation charge for the year	1.72	7.98	1.23	3.42	0.02	0.58	-	0.45	15.40
Less: Disposals/adjustments during the year	-	-	-	0.20	0.06	-	-	-	0.26
As At March 31, 2019	5.16	28.12	3.68	35.70	0.07	2.98	-	1.17	76.91
Net Carrying Amount as at 31 March 31, 2018	108.54	86.76	57.10	14.08	5.90	2.12	0.11	3.50	278.12
Net Carrying Amount as at 31 March 31, 2019	106.82	78.78	55.88	7.52	1.84	1.35	0.11	2.61	254.91

Notes to Financial Statements for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

Note 4 : Capital work-in-progress

Particulars	Total
Balance as at April 1, 2017	4.56
Additions	-
Capitalised during the year	-
Balance as at March 31, 2018	4.56
Additions	-
Capitalised during the year	-
Balance as at March 31, 2019	4.56

Note: The capital work in progress represent the borrowing cost.

Note 5 : Non Current Investments

(₹ in 'lakh' unless otherwise stated)

	As At March 31, 2019	As At March 31, 2018
Investment At Amortised Cost		
Unquoted Investment		
Investment in Equity Instruments of wholly owned subsidiary		
790,007 (March 31, 2018: 790,007) Equity Shares of ₹ 10 each fully paid up in Aum Texfab Private Limited	75.24	75.24
Quoted Investments		
Investment in Tax Free Bonds		
Investment in Infrastructure Bonds of HUDCO 15,000 (March 31, 2018: 15,000) Bonds of ₹ 1,000 each	150.00	150.00
Investment in infrastructure bonds of IRFC 1,510 (March 31, 2018: 1,510) Bonds of ₹ 1,000 each	6.25	6.25
Investment in infrastructure bonds of NHAI 1,428 (March 31, 2018: 1,428) Bonds of ₹ 1,000 each	14.28	14.28
Investment in infrastructure bonds of NTPC 625 (March 31, 2018 : 625) Bonds of ₹ 1,000 each	15.10	15.10
Investment in infrastructure bonds of PFC 257 (March 31, 2018: 257) Bonds of ₹ 1,000 each	2.57	2.57
Gold Coins		
13 Nos. of 92 Gram (March 31 2018: 13 Nos of 92 Gram)	1.40	1.40
	264.84	264.84
Investment as Fair Value through Profit & Loss		
Unquoted Investments *		
63,100 (March 31,2018: 63,100) Equity Shares of ₹ 10/- each fully paid of PNR Capital Sevices Ltd.)	0.98	0.98
	0.98	0.98
	265.82	265.82
Aggregate amount of Quoted investments and market value thereof	204.56	206.87
Aggregate amount of Other investments and market value thereof	2.98	2.90
Aggregate amount of Unquoted investments.	265.82	265.82
Aggregate amount of impairment in Value of investments	-	-

* Investment made in PNR Capital Sevices Ltd is unquoted investment as the Company is now delisted from Delhi Stock Exchange. However, fair value taken through profit and loss as on April 1, 2016, as the share was not delisted at that time.

(₹ in 'lakh' unless otherwise stated)

Note 6 : Other Financial Assets	Non-Current		Current	
	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Security Deposits	23.03	19.01	-	-
Balance with Government Authorities	12.08	12.08	-	-
Export Incentive Receivable	24.46	24.46	-	-
Less: Allowance for Expected Credit Loss	(24.46)	(14.32)	-	-
Interest Accrued on FDR	-	-	13.71	16.00
Interest Accrued on Tax Free Bonds	-	-	3.21	3.21
Interest Accrued Capital Advances (Refer Note 'a')	-	-	95.86	95.86
Interest Accrued others	0.14	0.14	-	-
	35.25	41.37	112.78	115.07

Note

a) The Company has not recognized Interest on capital advance of ₹ 4.91 crores, as there is uncertainty of its recoverability.

Note 7: Deferred Tax Assets (Net)

	As At	As At
	March 31, 2019	March 31, 2018
Gross Deferred Tax Assets	72.54	81.50
Gross Deferred Tax Liabilities	12.46	13.27
	60.08	68.23

Movement in Deferred Tax Liabilities (Net)

	As At	Recognised in	Recognised in	As At
	March 31, 2017	Statement of	Statement of	March 31, 2018
		Profit and Loss	Other Compre-	
			hensive Income	

Deferred tax assets relates to the following:

Provision for employee benefits	6.44	1.51	(0.32)	7.63
Provision for Bad and Doubtful Debts	2.57	(0.36)	-	2.21
Provision for doubtful Export Incentive	4.28	(0.59)	-	3.69
Loss on Fair valuation of Investment	-	67.97	-	67.97
	13.29	68.53	(0.32)	81.50

Deferred tax liability relates to the following:

Property, plant and equipment	23.31	(10.04)	-	13.27
	23.31	(10.04)	-	13.27

Net Deferred Tax Assets/(Liability)

	(10.02)	78.57	(0.32)	68.23
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	As At	Recognised in	Recognised in	As At
	March 31, 2018	Statement of	Statement of	March 31, 2019
		Profit and Loss	Other Compre-	
			hensive Income	

Deferred tax assets relates to the following:

Provision for employee benefits	7.63	0.70	(1.42)	6.90
Provision for Bad and Doubtful Debts	2.21	0.03	-	2.24
Provision for doubtful Export Incentive	3.69	2.67	-	6.36
Loss on Fair valuation of Investment	67.97	(10.93)	-	57.04
	81.50	(7.54)	(1.42)	72.54

Deferred tax liability relates to the following:

Property, plant and equipment	13.27	(0.81)	-	12.46
	13.27	(0.81)	-	12.46

Net Deferred Tax Assets/(Liability)

	68.23	(6.72)	(1.42)	60.08
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(₹ in 'lakh' unless otherwise stated)

Note 8 : Non-Current Tax Assets

Advance Tax (including TDS) {net of provision of ₹ 15.67 lakhs (March 31,2018 ` 25.54 lakhs)}

	As At March 31, 2019	As At March 31, 2018
	13.36	11.16
	13.36	11.16

Note 9 : Other Assets

 Capital Advances
 MAT Credit Entitlement
 Balance with government authorities
 Advance to Employee
 Prepaid Expenses
 Others

	Non-Current		Current	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
	695.97	695.97	-	-
	4.50	4.50	-	-
	5.00	1.49	-	-
	-	-	0.86	0.61
	-	0.63	0.83	0.77
	-	-	0.18	0.51
	705.47	702.59	1.87	1.89

Note 10 : Trade Receivables

 - Credit Impaired
 Less: Allowance for Expected Credit Loss

	As At March 31, 2019	As At March 31, 2018
	8.60	8.60
	8.60	8.60
	-	-

Refer note 37 for information about credit risk and market risk of trade receivables.

Note 11 : Cash and Cash Equivalent

 Balances With Scheduled Banks :
 - Current Accounts
 - Cheques in hand
 Cash on hand

	As At March 31, 2019	As At March 31, 2018
	12.71	10.47
	0.01	-
	1.06	0.68
	13.78	11.15

Note 12 : Other Bank Balances

Deposit accounts with original maturity of more than 3 months but less than 12 months

	As At March 31, 2019	As At March 31, 2018
	395.64	436.18
	395.64	436.18

Note 13 : Share Capital
Authorised:

15,000,000* (March 31,2018: 15,000,000*) equity shares of ₹ 5 each

	As At March 31, 2019	As At March 31, 2018
	750.00	750.00
	750.00	750.00

Issued, Subscribed & Paid Up:

10,796,574 * (March 31,2018: 10,796,574*) equity shares of ₹ 5 each

Add: amount paid up on shares forfeited

3,400* (March 31,2018: 3,400*) equity shares of ₹ 5 each

	539.83	539.83
	0.17	0.17
	540.00	540.00

* In absolute numbers

a) Reconciliation of Authorised, Issued and Subscribed Share Capital:

(₹ in 'lakh' unless otherwise stated)

I.Reconciliation of Authorised Share Capital as at Year End :

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning of the Year	150.00	750.00	150.00	750.00
Increase/(decrease) during the year	-	-	-	-
Outstanding at the End Of The Year	150.00	750.00	150.00	750.00

II.Reconciliation of Issued and Subscribed Share Capital as at Year End :

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning of the Year	107.97	539.82	107.97	539.82
Add: Increase/(Decrease) During The Year	-	-	-	-
Outstanding at the End Of The Year	107.97	539.82	107.97	539.82

b) Terms/rights Attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of Equity shares is entitled to one vote per share. 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. No dividend is proposed by Board of Directors of the Company.

c) Details of shareholders holding more than 5% shares in the company

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	% holding	No. of Shares	% holding
a. Hari B.Bansal	9.96	9.23%	9.96	9.23%
b. Mr.Abhishek Bansal	10.01	9.27%	10.01	9.27%
c. Mr. Chaman Lal Jain	16.90	15.65%	16.90	15.65%
d. Mrs. Urmila Jain	37.14	34.40%	37.14	34.40%

d) The Company has not issued any shares pursuant to any contract without payment being received in cash or as fully paid up by way of bonus shares. The Company has not bought back any shares.

Note 14 : Other Equity

	As At	As At
	March 31, 2019	March 31, 2018
Capital Reserve	57.99	57.99
Security Premium	1,318.51	1,318.51
Retained Earnings	(90.89)	(21.26)
Total	1,285.61	1,355.24

a) For Movement during the period in Other Equity, refer "Statement of Change in Equity".

b) Nature and purpose of reserves

- i) Capital Reserve: During 2000-01, specific reserves such as investment allowance reserve, investment allowance utilization reserve, generator subsidy and capital subsidy were transferred into capital reserve.
- ii) Securities Premium: The amount received in excess of face value of the equity shares is recognised in securities premium.
- iii) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(₹ in 'lakh' unless otherwise stated)

Note 15 : Provisions	Non-Current		Current	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
Provision for Compensated Absences (Refer Note No. 29)	5.48	5.23	0.51	0.48
Provision for Gratuity (Refer Note No. 29)	5.60	5.09	14.96	18.25
	11.08	10.32	15.47	18.73

Note 16 : Trade Payables

	As At March 31, 2019	As At March 31, 2018
- Outstanding dues to micro and small enterprises	-	-
- Outstanding dues to parties other than micro and small enterprises (Refer Note 'a' below)	8.18	8.76
	8.18	8.76

- (a) Trade payables to related parties amounts to ₹ Nil lakh as at March 31, 2019 (March 31, 2018 : ₹ Nil lakh)
- (b) As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 & as certified by the management, the amount due to Micro & small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:
- The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. - - -
 - The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. - - -
 - The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. - - -
 - The amount of interest accrued and remaining unpaid at the end of each accounting year. - - -
 - The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. - - -
- (c) Refer note 41 for information about liquidity risk and market risk related to trade payables.
- (d) There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013 as at March 31, 2019 & March 31, 2018.

Note 17 : Other Current Liabilities

	As At March 31, 2019	As At March 31, 2018
Statutory Dues Payable	3.18	3.09
	3.18	3.09

(₹ in 'lakh' unless otherwise stated)

Note 18 : Revenue From Operations

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Sale of Products		
- Finished Goods	-	11.80
- Traded Goods	50.69	-
Other Operating Income		
- Scrap Sale	-	0.11
	50.69	11.91

Note 19: Other Income

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Interest on		
- Fixed Deposits	28.26	30.72
- Tax Free Bonds	14.06	14.05
- Others	0.05	-
Miscellaneous Income	0.18	-
Sundry Balances written back	-	0.11
	42.55	44.88

Note 20 : Purchases of Stock-in-Trade

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Purchases of Stock-in-Trade	50.01	-
	50.01	-

Note 21 :Changes in Inventories of Finished Products, Stock-in-trade and Work-in-progress

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Inventories at the beginning of the year		
- Finished Goods	-	10.91
	-	10.91
Inventories at the end of the year		
- Finished Goods	-	-
	-	-
Increase/(Decrease) in Inventories	-	10.91

Note 22 : Employee Benefits Expense

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Salary, Wages & Bonus	32.47	31.91
Contribution to Provident & Other Funds	1.52	1.46
Gratuity (Refer Note No. 29)	2.69	8.43
Compensated Absences (Refer Note No. 29)	0.29	0.80
Staff Welfare Expenses	0.28	0.21
	37.25	42.81

Note 23 : Depreciation and Amortisation Expense

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Depreciation on Tangible Assets (Refer Note 3)	15.40	27.44
	15.40	27.44

(₹ in 'lakh' unless otherwise stated)

Note 24 : Other Expenses

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Electricity & Water Expenses	8.07	3.10
Rent	0.61	0.61
Repairs & Maintenance		
- Plant and Machinery	0.00	0.04
- Others	2.04	1.13
Insurance	0.33	0.31
Legal & Professional Charges	6.84	5.66
Rates and taxes	2.58	3.33
Payment to Auditors (Refer Note below)	1.79	2.12
Travelling & conveyance expenses	0.85	1.91
Vehicle Running Expenses	3.46	3.39
Security Service	10.13	10.45
Allowance for Expected credit Loss	10.13	-
Miscellaneous Expenses	7.59	11.39
	54.42	43.44

a) Details of Payments to Auditors
As Auditor:

- Statutory audit	1.10	1.10
- Tax audit	0.25	0.25
- Limited Review	0.30	0.30

In other capacity

- Taxation & Other Matters	0.10	0.41
- Out of pocket expenses	0.04	0.06
	1.79	2.12

Note 25 : Exceptional Item

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Profit/(Loss) on Sale of Property, Plant and Equipment	(2.89)	(16.25)
	(2.89)	(16.25)

Note 26: Income tax

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

26.1 Income tax recognised in profit or loss

	For the year ended March 31, 2019	For the year ended March 31, 2018
Tax Expense:		
a) Current tax	-	-
b) Adjustments in respect of current income tax of previous year	0.23	-
c) Deferred tax	6.72	(78.57)
Income tax expense reported in the statement of profit or loss	6.95	(78.57)

26.2 Income tax recognised in other comprehensive income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Income-tax on Re-measuremnt of Defined Benefit Plans	1.42	0.32
	1.42	0.32

(₹ in 'lakh' unless otherwise stated)

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

	As At March 31, 2019	As At March 31, 2018
Accounting profit before tax from continuing operations	(66.73)	(84.06)
Accounting profit before income tax	(66.73)	(84.06)
At India's statutory income tax rate of 25.75% (March 31, 2018: 25.75%)	(17.35)	(21.65)
Adjustments in respect of current income tax of previous years	0.23	-
Exempt income	(3.65)	(3.62)
Non-deductible/Taxable expenses for tax purposes:		
Disallowance under 14 A	0.49	0.48
Other non deductible expenses	-	0.76
Deferred tax asset created on loss through FVTPL	-	(67.97)
Deferred tax asset charged on Investment in shares	10.93	-
Effect on change in income tax rates	(0.76)	(1.38)
Tax impact on losses of current year	18.50	15.12
At the effective income tax rate	8.38	(78.25)
Income tax expense reported in the statement of profit and loss	8.38	(78.25)
Variance	-	-

The tax rate used for the current year reconciliation above is the corporate tax rate of 26% (March 31, 2018: 25.75%) payable by corporate entities in India on taxable profits under the Indian tax law.

Note 27 : Components of Other Comprehensive Income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Re-measurement gains/ (losses) on defined benefit plans	5.47	1.23
Income tax expense	(1.42)	(0.32)
	4.05	0.91

Note 27 : Earnings per share (EPS)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to the equity holders of the parent (In lakh)	(73.68)	(5.49)
Weighted average number of equity shares for basic and diluted EPS (in absolute numbers)	10,796,600	10,796,600
Basic and diluted earnings per share (face value ₹ 5 per share)	(0.68)	(0.05)

Note 27 : Components of Other Comprehensive Income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Re-measurement gains/ (losses) on defined benefit plans	5.47	1.23
Income tax expense	(1.42)	(0.32)
	4.05	0.91

Note 27 : Earnings per share (EPS)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to the equity holders of the parent (In lakh)	(73.68)	(5.49)
Weighted average number of equity shares for basic and diluted EPS (in absolute numbers)	10,796,600	10,796,600
Basic and diluted earnings per share (face value ₹ 5 per share)	(0.68)	(0.05)

Note 29 : Gratuity And Other Post-Employment Benefit Plans
a) Defined Contribution Plans

The Company makes contribution towards provident fund/ pension fund. Under the scheme, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to the defined contribution scheme. The Company during the year recognised the following amount in the Statement of profit and loss account under company's contribution to defined contribution plan.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident Fund	1.19	1.16
Other funds	0.33	0.30
Total	1.52	1.46

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

i) Gratuity scheme

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service.

(ii) Compensated Absences

The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 90 accumulations of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

c) The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the defined benefit plan (viz. gratuity and compensated absences). Compensated Absences include earned leaves and sick leaves. These have been provided on accrual basis, based on year end actuarial valuation.

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Unfunded)	Compensated Absences (Unfunded)
Change in benefit obligation				
1 Opening defined benefit obligation	23.35	5.70	16.14	4.91
2 Acquisition Adjustment	-	-	-	-
3 Add: Interest cost	1.76	0.43	1.18	0.36
4 Add: Current service cost	0.93	0.31	0.87	0.31
5 Add: Past service cost	-	-	6.38	-
6 Less: Benefits paid	-	-	-	-
7 Add: Actuarial (gain) / loss	(5.47)	(0.45)	(1.23)	0.13
Present value of obligation as at the end of the year	20.57	6.00	23.35	5.70

(₹ in 'lakh' unless otherwise stated)

- d) The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Unfunded)	Compensated Absences (Unfunded)
Cost for the year included under employee benefit				
Add: Current service cost	0.93	0.31	0.87	0.31
Add: Past service cost	-	-	6.38	-
Add: Interest cost	1.76	0.43	1.18	0.36
Less: Return on plan assets	-	-	-	-
Add: Actuarial (gain) / loss	(5.47)	(0.45)	(1.23)	0.12
Net cost	(2.79)	0.30	7.21	0.79

- c) Detail of actuarial gain/loss recognised in OCI is as follows:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Unfunded)	Compensated Absences (Unfunded)
1 Actuarial gain / (loss) for the year – obligation	(5.47)	-	(1.23)	-
2 Actuarial gain / (loss) for the year - plan assets	-	-	-	-
3 Total gain / (loss) for the year	(5.47)	-	(1.23)	-
4 Actuarial gain / (loss) recognised in the year	(5.47)	-	(1.23)	-
5 Unrecognised actuarial gains / (losses) at the end of year	-	-	-	-

- d) Principal actuarial assumptions at the balance sheet date are as follows:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Unfunded)	Compensated Absences (Unfunded)
Economic assumptions				
1 Discount rate	7.59%	7.59%	7.52%	7.52%
2 Rate of increase in compensation levels	8.00%	8.00%	8.00%	8.00%
Demographic assumptions				
1 Expected average remaining working lives of employees (years)				
2 Retirement Age (years)	60	60	60	60
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) ultimate		Indian Assured Lives Mortality (2006-08) (modified) ultimate	

(₹ in 'lakh' unless otherwise stated)

Withdrawal Rate

1	Ages up to 30 Years	3.00%	3.00%	3.00%	3.00%
2	Ages from 30-44	2.00%	2.00%	2.00%	2.00%
3	Above 44 years	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

h) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
Present value of obligation	(20.57)	6.00	(23.35)	5.70
Less: Fair value of plan assets	-	-	-	-
Net (assets) / liability	(20.57)	6.00	(23.35)	5.70

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
A. Discount rate				
Effect on DBO due to 0.5% increase in Discount Rate	(0.20)	(0.17)	(0.21)	(0.17)
Effect on DBO due to 0.5% decrease in Discount Rate	0.21	0.18	0.22	0.18
B. Salary escalation rate				
Effect on DBO due to 0.5% increase in Salary Escalation Rate	0.21	0.17	0.22	0.18
Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(0.20)	(0.17)	(0.21)	(0.17)

j) **The expected contributions to the defined benefit plan for the next financial year is ₹ 2.15 lakhs (March 31, 2018: ₹ 2.39 lakhs)**

k) **Maturity profile of defined benefit obligation is as follows:**

Years	As At March 31, 2019	As At March 31, 2018
0 to 1 years	1,495,996	1,824,982
1 to 2 years	9,950	9,209
2 to 3 years	10,070	9,327
3 to 4 years	136,364	130,054
4 to 5 years	7,422	6,729
5 to 6 years	7,485	6,758
6 year onwards	388,412	347,168

Note 30 : Commitments and contingencies

- a) Estimated amount of contracts remaining to be executed on the capital and not provided for in the account ` 45.23 lakh (March 31, 2018 : ₹ 45.23 lakh).
- b) **Contingent liabilities**
- (i) Claims against the Company, not accepted and not provided for ₹ 77.42 lakh (March 31, 2018 : ₹ 77.42 lakh)
- (ii) The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952.

Notes

Pending resolution of the respective proceedings, it is difficult for the company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The company does not expect any reimbursements in respect of the above contingent liabilities.

Note 31 : Related Party Disclosures
a) Name of the Related Parties and Description of Relationship:

Name of Related Party	Nature of Relationship
Wholly Owned Subsidiary Company	Aum Texfab Private Limited
Key Management Personnel	Mr.C.L.Jain, Chairman and Managing Director
	Mrs.Urmila Jain - Director
	Mr. Atul Jain, Chief Financial Officer
	Mrs. Heena Arora, Company Secretary upto : February 28, 2018
	Mrs. Nishi Aisha Baig, Company Secretary w.e.f March 7, 2018

b) Transactions with related parties (Including bifurcation of material transaction)

Name of Related Party	Relationship	Nature of Transaction	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Mr.C.L.Jain	Chairman and Managing Director	Managerial Remuneration	9.00	9.00
Mr. Atul Jain	Chief Financial Officer	Salary	6.07	6.07
Mrs. Heena Arora	Company Secretary	Salary	-	1.21
Mrs. Nishi Aisha Baig	Company Secretary	Salary	2.71	0.16
Aum Texfab Private Limited	Subsidiary	Reimbursement of Expenses Incurred on their behalf	0.54	(0.53)

c) Year end balances of related parties

Name of Related Party	Nature of Balance	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Mr.C.L.Jain	Salary payable	0.70	0.70
Mr. Atul Jain	Salary payable	0.47	0.47
Mrs. Nishi Aisha Baig	Salary payable	0.11	0.16
Mrs. Heena Arora	Salary payable	0	1.21

d) Terms and conditions of transactions with related parties

All the transaction with the 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 carried interest rate. The unsecured loan from bank are secured against the property of Key Managerial Personnel. No expenses has been recognized in the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.

Note 32 : Segment Information

The Company is engaged in the business of Export of Garments and operates within India. The Company has determined single reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM') and hence there is no other reportable segment as per Ind AS 108 "Operating Segment".

Note 33 : Recent accounting pronouncement

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying amendments to Ind AS 12 'Income Taxes', introduced the Appendix 'C' to Ind AS 12 'Uncertainty over Income Tax Treatments', amendments to Ind AS 19 'Employee Benefits' and also introduced new standard Ind AS 116 'Leases'. These amendments rules are applicable to the Company from April 1, 2019.

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 Interpretations. 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 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 are 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.

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. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders.

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.

The Company is currently evaluating the effect of these amendments on the standalone financial statements.

Note 34: Capital Management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return

capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	As At March 31, 2019	As At March 31, 2018
Borrowings (A)	-	-
Equity share capital (Refer Note No. 13)	540.00	540.00
Other equity (Refer Note No. 14)	1,285.61	1,355.24
Total Capital (B)	1,825.61	1,895.24
Net Debt and Capital (C= A+B)	1,825.61	1,895.24
Gearing ratio [D= (A)/(C)]	0.00	0.00

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Note 35 : Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Fair value of Financial Assets:

Particulars	Carrying Values		Fair Values	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
Financial assets Measured At Amortised Cost				
Investment in Equity Share of PNR Capital Services	0.98	0.98	0.98	0.98
Investment Others	264.84	264.84	264.84	264.84
Security Deposits	23.03	19.01	23.03	19.01
Others	125.00	137.43	125.00	137.43
Cash and Cash Equivalents *	13.78	11.15	13.78	11.15
Other Bank Balances *	395.64	436.18	395.64	436.18
	823.26	869.58	823.27	869.58

b) Fair Value of Financial Liabilities:

Particulars	Carrying Values		Fair Values	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
Financial Liabilities Measured At Amortised Cost				
Trade Payables *	8.18	8.76	8.18	8.76
	8.18	8.76	8.18	8.76

* Management has assessed that cash and cash equivalents, other bank balances, trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 36 : Fair Hierarchy

All financial instruments for which fair value is recognised or disclosed 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.

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

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

a) Quantitative Disclosures Fair Value Measurement Hierarchy For Financial Assets As At March 31, 2019:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through profit or loss					
Investment in Equity Share of PNR Capital Services	0.98		-	0.98	-
Investment Others	264.84	264.84	-	-	-
Security Deposits	23.03	23.03	-	-	-
Others	125.00	125.00	-	-	-
Cash and Cash Equivalents *	13.78	13.78	-	-	-
Other Bank Balances *	395.64	395.64	-	-	-
	823.26	822.29	-	0.98	-

b) Quantitative Disclosures Fair Value Measurement Hierarchy For Financial Liabilities As At March 31, 2019:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities measured at fair value through profit or loss					
Trade Payables *	8.18	8.18	-	-	-
	8.18	8.18	-	-	-

c) Quantitative Disclosures Fair Value Measurement Hierarchy for Financial Assets As At March 31, 2018:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through profit or loss					
Investment in Equity Share of PNR Capital Services	0.98		-	0.98	-
Investment Others	264.84	264.84	-	-	-
Security Deposits	19.01	19.01	-	-	-
Others	137.43	137.43	-	-	-
Cash and Cash Equivalents *	11.15	11.15	-	-	-
Other Bank Balances *	436.18	436.18	-	-	-
	869.58	868.60	-	0.98	-

d) Quantitative Disclosures Fair Value Measurement Hierarchy for Financial Liabilities As At March 31, 2018:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities Measured at Amortised Cost					
Trade Payables *	8.76	8.76	-	-	-
	8.76	8.76	-	-	-

Notes:

- (i) The fair values of investment in quoted investment in equity shares is based on the current market price of respective investment as at the reporting date.
- (ii) There have been no transfers between Level 1 and Level 2 category during the year ended on respective reporting date given above.

Note 37: Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets includes loans, security deposits, trade receivables, cash and cash equivalents, deposits with bank, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Company is exposed to credit risk, liquidity risk and market risk.

A. 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 borrowings, short term deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

i) 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. However, the Company doesn't have any interest rate risk.

ii) 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)

Company is not exposed to foreign currency sensitivity because Company does not have any outstanding foreign currency exposure as on March 31, 2019 and March 31, 2018.

B. Credit risk

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

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Less than 30 days	30 to 90 days	90 to 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2018	-	-	-	-	-	-
Trade Receivables as of March 31, 2019	-	-	-	-	-	-

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial instruments is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

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

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade Payables	-	8.18	-	-	-	8.18
Total	-	8.18	-	-	-	8.18

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	-	8.76	-	-	-	8.76
Total	-	8.76	-	-	-	8.76

Note 38:

In view of the management, the current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at March 31, 2019.

Note 39 :

The financial statements of the Company for the year ended 31st March, 2019 were approved by the Board of Directors and authorised for issue on May 29, 2019.

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Sd/-
(C.L. Jain)
Managing Director
DIN 00022903

Sd/-
(S.R. Sharma)
Director
DIN 05288842

Sd/-
(V.B. Aggarwal)
Director
DIN 00022967

Place of Signature: New Delhi
Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
Company Secretary
Membership No.: 27741

Sd/-
(Atul Jain)
Chief Financial Officer

Independent Auditor's Report

To The Members of Addi Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Addi Industries Limited ("the Holding Company") and its Subsidiary (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the 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 consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, of the consolidated loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 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 (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on consolidated financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 6 in the financial results, which specify that the Holding Company is in process of exploring the modalities to start new business venture, however the Holding Company has not yet implemented the same. During the year ended March 31, 2019, although the Holding Company has incurred a net loss of ₹ 69.63 lakhs but it has a positive net worth of ₹ 1,825.61 lakhs as on that date. This situation indicates the existence of material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern. However, in view of future business opportunities, the management is of the view that going concern basis of accounting is appropriate for preparation of the accompanying consolidated financial statement. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report w.r.t the Group:

S. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	<p>Recognition of Tax credits</p> <p>The Company has recognised Minimum Alternate Tax (MAT) credit receivable of ₹ 4.50 lakhs and Deferred Tax Assets of ₹ 60.08 lakhs in financial statements as at March 31, 2019.</p> <p>The recognition of MAT credit and Deferred Tax Assets (together referred to as 'Tax Credits' hereinafter) is a Key Audit Matter as the recoverability of such tax credits within the allowed frame involves significant estimate of the financial projections availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Company.</p>	<p>Our Audit procedures in relation to recognition of tax credits includes the following:</p> <ul style="list-style-type: none"> ✓ Evaluated Company's accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 'Income Taxes'. ✓ We assessed the Management's long term financial projections and the key assumptions used in the projections by comparing it to the approved business plan and projections. ✓ We involved our tax specialists to evaluate the Company's tax position by comparing it with prior years and past precedents. ✓ We assessed the disclosures in accordance with the requirements of Ind AS 12 'Income Taxes'. <p>Our procedures as mentioned above did not identify any findings that are significant for the financial statements as whole in respect of recognition of tax credits.</p>

Information other than Financial Statements and Auditor's Reports thereon

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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing their financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 financial controls 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 Companies included in the Group 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 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 financial statements, including the disclosures, and whether the consolidated 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 to express an opinion on the consolidated financial statements. For the entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors are 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 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 financial statements of the current period 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 Matters

We did not audit the financial statements of 1 subsidiary, whose financial statements reflects total assets of (before eliminating inter-company balances ₹ Nil) ₹ 166.16 Lakh as at March 31, 2019, total revenue of (before eliminating inter-company transaction ₹ Nil) ₹ 11.82 Lakhs and net cash flow amounting to (before eliminating inter-company balances ₹ Nil) ₹ 9.69 Lakh for the year ended on that date, as considered in the consolidated financial statements.

The financial statements have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated 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 auditor and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors 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 auditor of its subsidiary company incorporated in India, none of the directors of the Group 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 of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in

“Annexure A”

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group - Refer Note No. 31 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
2. With respect to the matter to be included in the Auditors' report under Section 197(16):

In our opinion and according to the information and explanation given to us, the Companies included in the Group has not paid or provided any managerial remuneration to any their director during the year.

For **B.R. Gupta & Co.**
Chartered Accountants,
Firm's Registration Number 008352N

(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature: New Delhi
Date: 29th May, 2019

Annexure 'A' to the Independent Auditors' Report of even date on the Consolidated Financial Statement of Addi Industries Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company and its Subsidiary which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Director of the Holding Company and its Subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary, which is incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (SAs), issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 system with reference to financial statements of the Company and its subsidiary.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to 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 with reference to 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;
- (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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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 Holding Company and its subsidiary company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on "the internal control with reference to financial statements 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 ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of auditor of such company incorporated in India.

For **B.R. Gupta & Co.**
Chartered Accountants,
Firm's Registration Number 008352N

(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature: New Delhi
Date: 29th May, 2019

**Consolidated Balance Sheet As At March 31, 2019**

(₹ in 'lakh' unless otherwise stated)

Particulars	Notes	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	254.91	278.12
(b) Capital Work in Progress	4	4.56	4.56
(c) Financial Assets			
(i) Investments	5	299.01	299.01
(ii) Other financial assets	6	35.25	41.37
(d) Deferred Tax Assets (Net)	7	60.08	68.23
(e) Non-Current Tax Assets (Net)	8	13.41	11.16
(f) Other Non-Current Assets	9	705.47	702.59
Total Non-Current Assets		1,372.69	1,405.04
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	10	-	-
(ii) Cash and Cash Equivalents	11	24.72	12.40
(iii) Bank balance other than (ii) above	12	442.37	481.68
(iv) Others financial assets	6	112.78	115.07
(c) Other Current Assets	9	1.87	1.89
Total Current Assets		581.74	611.04
Total Assets		1,954.43	2,016.08
Equity And Liabilities			
Equity			
(a) Equity Share Capital	13	540.00	540.00
(b) Other Equity	14	1,376.43	1,435.14
Total Equity		1,916.43	1,975.14
Liabilities			
Non-Current Liabilities			
(a) Provisions	15	11.08	10.32
Total Non-Current Liabilities		11.08	10.32
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	16	-	-
(A) Total outstanding dues of micro and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro and small enterprises		8.27	8.76
(b) Other current liabilities	17	3.18	3.09
(c) Provisions	15	15.47	18.73
(d) Current tax liabilities (net)	18	-	0.04
Total Current Liabilities		26.92	30.62
Total Liabilities		38.00	40.94
Total Equity And Liabilities		1,954.43	2,016.08
Significant Accounting Policies	2.3		

The accompanying notes form an integral part of these financial statements
As per our Audit Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Sd/-
(Deepak Agarwal)
Partner
Membership Number 073696

Sd/-
(C.L. Jain)
Managing Director
DIN 00022903

Sd/-
(S.R. Sharma)
Director
DIN 05288842

Sd/-
(V.B. Aggarwal)
Director
DIN 00022967

Place of Signature: New Delhi
Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
Company Secretary
Membership No.: 27741

Sd/-
(Atul Jain)
Chief Financial Officer

Consolidated Statement of Profit & Loss for the Period ended March,31 2019

(₹ in 'lakh' unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Revenue From Operations	19	50.69	11.91
II. Other Income	20	54.37	56.12
III. Total Income (I + II)		105.06	68.03
IV. Expenses			
(a) Purchases of Stock-in-Trade	21	50.01	-
(b) Changes in Inventories of Finished goods, Stock-in-trade and Work-in-progress	22	-	10.91
(c) Employee Benefits Expense	23	37.25	42.81
(d) Depreciation and Amortisation Expense	24	15.40	27.44
(e) Other Expenses	25	54.52	43.61
Total Expenses		157.18	124.77
V. Profit/ (Loss) Before Exceptional Items and Tax (III-IV)		(52.12)	(56.74)
VI. Exceptional Items	26	(2.89)	(16.25)
VII. Profit/ (Loss) Before Tax (V-VI)		(55.01)	(72.99)
VIII. Tax Expense:	27		
Current Tax		0.79	0.63
Tax adjustment for earlier years		0.23	0.10
Deferred Tax charge/(release)		6.72	(78.57)
Total Tax Expense		7.75	(77.84)
IX. Profit/(Loss) For The Year (VII-VIII)		(62.76)	4.85
X. Other Comprehensive Income	28		
(A) (i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement of defined benefit plans		5.47	1.23
(ii) Income tax on items that will not be reclassified to Profit or Loss		(1.42)	(0.32)
(B) (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax on items that will be reclassified to Profit or Loss		-	-
Other Comprehensive Income For The Year, Net of Tax (A+B)		4.05	0.91
XI Total Comprehensive Income For The Year, Net of Tax (IX+X) (Comprising Profit(Loss) and other Comprehensive Income for the period)		(58.71)	5.76
XII Earnings Per Share: (Face Value ₹ 5 Per Share)	29		
1) Basic (amount in ₹)		(0.58)	0.04
2) Diluted (amount in ₹)		(0.58)	0.04

Significant Accounting Policies 2.3

The accompanying notes form an integral part of these financials statements

As per our Audit Report of even date attached

For B.R. Gupta & Co.
 Chartered Accountants
 Firm's Registration Number 008352N

**For and on behalf of the Board of Directors of
 Addi Industries Limited**

Sd/-
(Deepak Agarwal)
 Partner
 Membership Number 073696

Sd/-
(C.L. Jain)
 Managing Director
 DIN 00022903

Sd/-
(S.R. Sharma)
 Director
 DIN 05288842

Sd/-
(V.B. Aggarwal)
 Director
 DIN 00022967

Place of Signature: New Delhi
 Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
 Company Secretary
 Membership No.: 27741

Sd/-
(Atul Jain)
 Chief Financial Officer

**Consolidated Statement of Cash Flows for the year ended March 31, 2019**

(₹ in 'lakh' unless otherwise stated)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
A. Cash Flow From Operating Activities		
Profit Before Tax	(55.01)	(72.99)
Adjustments for :		
Depreciation / Amortisation	15.40	27.44
Loss/(Profit) on sale of property, plant and equipment	2.89	16.25
Amounts written back	-	0.10
Interest Income	(54.13)	(56.02)
Operation Profit Before Working Capital Changes	(90.85)	(85.22)
Adjustment For :		
(Increase)/ Decrease in Trade Receivables	-	3.10
(Increase)/ Decrease in Other Financial Assets	6.12	-
(Increase)/ Decrease in Other Assets	(2.87)	(1.62)
(Increase)/ Decrease in Inventory	-	10.92
Increase / (Decrease) in Other Liabilities	0.09	(0.21)
Increase / (Decrease) in Trade Payables	(0.49)	(12.14)
(Increase)/ Decrease in Provisions	2.97	9.23
Net Cash Generated From Operations	(85.03)	(75.94)
Direct Taxes Paid(Net of Refund Received)	(3.33)	(2.85)
Net Cash From Operating Activities	(A) (88.36)	(78.79)
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	-	(0.51)
Sale of Property, Plant and Equipment	4.94	11.19
Proceeds from Maturity of Fixed Deposits (net)	39.32	(1.20)
Interest Received	56.42	72.79
Net cash Used In Investing Activities	(B) 100.68	82.27
C. Cash Flow From Financing Activities		
Net Cash Used In Financing Activities	(C) -	-
Net Increase in Cash & Cash Equivalent (A+B+C)	12.32	3.48
Opening Balance of Cash and Cash Equivalents	12.40	8.92
Total Cash And Cash Equivalent (Note No. 11)	24.72	12.40
Components Of Cash And Cash Equivalents		
Cash on hand	1.16	0.79
With banks - on current account and deposits with banks	23.55	11.61
Total Cash and Cash equivalent (Note No. 11)	24.72	12.40
Significant Accounting Policies	2.3	

The accompanying notes form an integral part of these financials statements

As per our Audit Report of even date attached

For B.R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Sd/-
(Deepak Agarwal)
Partner
Membership Number 073696

Sd/-
(C.L. Jain)
Managing Director
DIN 00022903

Sd/-
(S.R. Sharma)
Director
DIN 05288842

Sd/-
(V.B. Aggarwal)
Director
DIN 00022967

Place of Signature: New Delhi
Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
Company Secretary
Membership No.: 27741

Sd/-
(Atul Jain)
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

A. Equity Share Capital	Amount
Opening Balance as at April 01, 2017	540.00
Changes during the year	-
Closing Balance as at March 31, 2018	540.00
Changes during the year	-
Closing Balance as at March 31, 2019	540.00

B. Other Equity

	Reserves and Surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance as at April 1, 2017	61.75	1,318.51	49.12	1,429.38
Profit For The Year	-	-	4.85	4.85
Remeasurements of net defined benefit plans, Net of Tax	-	-	0.91	0.91
Balance as at March 31, 2018	61.75	1,318.51	54.88	1,435.14
Profit For The Year	-	-	(62.76)	(62.76)
Remeasurements of net defined benefit plans, Net of Tax	-	-	4.05	4.05
Balance as at March 31, 2019	61.75	1,318.51	(3.83)	1,376.43
Significant Accounting Policies	2.3			

The accompanying notes are an integral part of the financials statements

As per our Audit Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N

Sd/-
(Deepak Agarwal)
 Partner
 Membership Number 073696

**For and on behalf of the Board of Directors of
 Addi Industries Limited**

Sd/-
(C.L. Jain)
 Managing Director
 DIN 00022903

Sd/-
(S.R. Sharma)
 Director
 DIN 05288842

Sd/-
(V.B. Aggarwal)
 Director
 DIN 00022967

Place of Signature: New Delhi
 Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
 Company Secretary
 Membership No.: 27741

Sd/-
(Atul Jain)
 Chief Financial Officer

Notes to Consolidated Financial Statement for the year ended March 31, 2019**Note 1 : Corporate Information**

The Consolidated financial statements relate to Addi Industries Limited (the Holding Company) and Aum Texfab Private Limited (its subsidiary company). The Company and its subsidiary constitute the Group. The Holding Company is a public limited company incorporated in the year 1980 under the provisions of the Companies Act, 1956. The Registered office of the company is located at 23, Eastern Avenue, Maharani Bagh, New Delhi-South Delhi-110065. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the manufacturing and marketing of readymade garments.

The consolidated financial Statements for the year ended March 31, 2019 were approved by the Board of Directors on May 28, 2019

Note 2.1 : Statement of Compliance

The consolidated financial statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 and read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Note 2.2 : Basis of Preparation

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. During the Year ended March 31, 2019, although the Group has incurred a net loss of ₹ 58.71 lakhs but it has a positive net worth of ₹ 1,916.43 lakhs as on that date. The Board of Directors are evaluating new business ventures & they are hopeful of achieving better working results in the future. Therefore the accounts of the group have been prepared on Going concern basis.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered.

Subsidiaries are entities where the group exercise or controls more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control.

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest lakh upto two decimal places except otherwise stated.

Note 2.2.1 : Basis of Consolidation

The Company Consolidate the entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable return from its involvement with the entity and has the ability to effect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date of control commences until the date of control ceases.

Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all inter- Company transactions, balances, income and expenses.

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest lakh upto two decimal places except otherwise stated.

Note 2.2.2 Application of New Accounting Pronouncements

The following Ind As pronouncements pursuant to issuance of the Companies (Indian Accounting Standards)

Amendment Rules 2018, were applied by the Group during the year:

Ind As 115, Revenue from Contracts with Customers with effect from April 1, 2018

Appendix B to Ind AS 21, Foreign Currency Transactions and advance consideration with effect from April 1, 2018

Note 2.3 : Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

b) Use of Estimates and Judgements :

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 consolidated 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. Also, the Group has made certain judgements in applying accounting policies which have an effect on amounts recognized in the consolidated financial statements.

i) Income taxes

The Group is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

iv) Defined benefit plans

The present value of the gratuity and compensated absences 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 and mortality rates. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the actuary considers the interest rates of government bonds in currencies

consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

v) Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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.

Liabilities:

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for the purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) 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.

Operating Cycle: The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

d) Revenue recognition & Purchase Recognition

Revenue is to be recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. To recognize revenues, the Group apply the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price,
- (4) Allocate the transaction price to the performance obligations in the contract
- (5) Recognize revenues when a performance obligation is satisfied.

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Group is unable to determine the stand-alone selling price the Group uses third-party prices for similar deliverables or the Group uses expected cost plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring

progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the goods sold & services rendered:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Purchases are recognized upon receipt of such goods by the Group. Purchases of imported goods are recognised after completion of custom clearance formalities and upon receipt of such goods by the Group at the warehouse.

e) Property, Plant and Equipment

The Group had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under Ind AS.

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Glow-sign Boards, which have no salvage value are charged to the Statement of Profit & Loss.

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

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

Decommissioning Costs : The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Depreciation: Depreciation on PPE are provided to the extent of depreciable amount on straight line basis (SLM). Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Leasehold Land and Leasehold Improvements are amortised over the period of lease or useful life of assets whichever is lower. The residual values, useful lives are reviewed at each financial year end and adjusted appropriately.

Asset costing less than ₹ 5000/- has been depreciated fully in the year of purchase only.

f) Inventories

Items of inventories are to be measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. The cost of various components of inventory is determined as follows:-

Raw Materials, Stores, Spares and Packing Material	Cost includes purchase price, non refundable duties, taxes and all other costs incurred in bringing the inventories to their present location. Cost is determined on First In First Out (FIFO) basis.
Stocks-in-process and Finished Goods	Cost includes material cost and also includes an appropriate portion of allocable overheads. Cost is determined on First In First Out basis.
Traded Goods	Cost includes purchase cost, duties, taxes and all other costs incurred in bringing the inventory to their present location. Cost is determined on First In First Out (FIFO) basis.

g) Employee's Benefits

Expenses and Liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19 – Employees Benefits issued by the Company (Indian Accounting Standard) Rules, 2015.

Short Term Employee Benefits: All employees' benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus are recognized in the period in which the employee renders the related services at undiscounted amount.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance Schemes are defined contribution scheme and contributions paid / payable are recognised as an expense in the statement of profit and loss during the year in which the employee renders the related service.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.

Re-measurements, comprising actuarial gains and losses including, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other Long Term Employee Benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains / loss are recognised in Statement of Profit & Loss.

h) Foreign Currency Transactions**Functional and presentational currency**

The Company's consolidated financial statements are presented in Indian Rupees (₹ in lakhs) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Group operates and is normally the currency in which the Group primarily generates and expends cash. All the financial information are presented in ₹ in lakhs except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currencies are not re-translated.

i) Leases

- a) In respect of transaction entered into prior to April 1, 2001; lease rentals of asset acquired are charged to statement of profit and loss.
- b) Lease transactions entered into on or after April 1, 2001:

The Lease under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

- Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals in case of Operating leases are charged to the statement of profit & loss on accrual basis over the lease term.

j) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

(i) Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

a) Financial assets

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

- Financial Asset carried at amortised cost
- Financial Asset at fair value through other comprehensive income (FVTOCI)
- Financial Asset at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- **Financial Asset carried at amortised cost**

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

- **Financial Asset at fair value through other comprehensive income (FVTOCI)**

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

- **Financial Asset at fair value through profit and loss (FVTPL)**

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

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Group has transferred its contractual rights to receive cash flows from the financial 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.

(b) Financial Liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the statement of 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. This category generally applies to borrowings.

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 (if any) in the respective carrying amounts is recognised in the statement of profit and loss.

(c) 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

k) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

l) Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

m) 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.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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 consolidated 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. 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.

n) Taxes on Income : Tax expense comprises current and deferred tax.

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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized 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.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses (if any). 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 balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence

that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.

Contingent liability is disclosed in the case of ;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provision, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

p) Earning per share

In determining earnings per share, the Group considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- For the purpose of calculating Diluted Earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

q) Cash Flow Statement

The cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated as specified in Indian Accounting Standard 7 - Cash Flow Statement.

r) Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks 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.

s) Segment Reporting

The Group has the policy of reporting the segments in a manner consistent with the internal reporting provided to the chief decision maker. The chief decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Notes to Consolidated Financial Statements for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

Notes 3 : Property, Plant and Equipment

Particulars	Leasehold Land	Buildings	Building (Office)	Plant & Equipment	Furniture & fixtures	Vehicles	Computer System	Office equipment	Total
Gross Carrying Amount									
As At April 1, 2017	111.98	106.90	59.56	73.93	6.09	4.52	0.11	3.70	366.79
Add: Additions made during the year	-	-	-	-	-	-	-	0.51	0.51
Less: Disposals/adjustments during the year	-	-	-	27.36	0.08	-	-	-	27.44
As At March 31, 2018	111.98	106.90	59.56	46.57	6.01	4.52	0.11	4.21	339.86
Add: Additions made during the year	-	-	-	-	-	-	-	-	-
Less: Disposals/adjustments during the year	-	-	-	3.34	4.10	0.19	-	0.44	8.07
As At March 31, 2019	111.98	106.90	59.56	43.23	1.91	4.34	0.11	3.78	331.79
Accumulated Depreciation and Amortisation									
As At April 1, 2017	1.72	10.59	1.23	18.54	0.06	1.82	-	0.36	34.32
Add: Depreciation charge for the year	1.72	9.55	1.23	13.95	0.06	0.58	-	0.36	27.45
Less: Disposals/adjustments during the year	-	-	-	-	-	-	-	-	-
As At March 31, 2018	3.44	20.14	2.45	32.49	0.11	2.40	-	0.71	61.77
Add: Depreciation charge for the year	1.72	7.98	1.23	3.42	0.02	0.58	-	0.45	15.40
Less: Disposals/adjustments during the year	-	-	-	0.20	0.06	-	-	-	0.26
As At March 31, 2019	5.16	28.12	3.68	35.70	0.07	2.98	-	1.17	76.91
Net Carrying Amount as at 31 March 31, 2018	108.54	86.76	57.10	14.08	5.90	2.12	0.11	3.50	278.12
Net Carrying Amount as at 31 March 31, 2019	106.82	78.78	55.88	7.52	1.84	1.35	0.11	2.61	254.91

Notes to Consolidated Financial Statements for the year ended March 31, 2019

(₹ in 'lakh' unless otherwise stated)

Note 4 : Capital work-in-progress

Particulars	Total
Balance as at April 1, 2017	4.56
Additions	-
Capitalised during the year	-
Balance as at March 31, 2018	4.56
Additions	-
Capitalised during the year	-
Balance as at March 31, 2019	4.56

Note: The capital work in progress represent the borrowing cost.

(₹ in 'lakh' unless otherwise stated)

Note 5 : Non Current Investments
Investments (Valued at cost unless otherwise stated)
Investment At Amortised Cost
Quoted Investments
Investment in Tax Free Bonds

	As At March 31, 2019	As At March 31, 2018
Investment in Infrastructure Bonds of HUDCO 15,000 (March 31, 2018: 15,000) Bonds of ₹ 1,000 each	150.00	150.00
Investment in infrastructure bonds of IRFC 1,510 (March 31, 2018: 1,510) Bonds of ₹ 1,000 each	6.25	6.25
Investment in infrastructure bonds of NHAI 1,428 (March 31, 2018: 1,428) Bonds of ₹ 1,000 each	14.28	14.28
Investment in infrastructure bonds of NTPC 625 (March 31, 2018 : 625) Bonds of ₹ 1,000 each	15.10	15.10
Investment in infrastructure bonds of PFC 257 (March 31, 2018: 257) Bonds of ₹ 1,000 each	2.57	2.57
Investment in Government or trust securities	108.43	108.43

Gold Coins

13 Nos. of 92 Gram (March 31 2018: 13 Nos of 92 Gram)	1.40	1.40
	298.03	298.03

Investment as Fair Value through Profit & Loss
Unquoted Investments *

63,100 (March 31, 2018: 63,100) Equity Shares of ₹ 10/- each fully paid of PNR Capital Sevcies Ltd.) (Refer note 38)	0.98	0.98
	0.98	0.98
	299.01	299.01

Aggregate amount of Quoted investments and market value thereof	204.56	206.87
Aggregate amount of Other investments and market value thereof	2.98	2.90
Aggregate amount of Unquoted investments.	0.98	0.98
Aggregate amount of impairment in Value of investments	-	-

*Investment made in PNR Capital Sevcies Ltd is unquoted investment as the Group is now delisted from Delhi Stock Exchange. However, fair value taken through profit and loss as on April 1, 2016, as the share was not delisted at that time.

(₹ in 'lakh' unless otherwise stated)

Note 6 : Other Financial Assets	Non-Current		Current	
	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Security Deposits	23.03	19.01		
Balance with Government Authorities	12.08	12.08	-	-
Export Incentive Receivable	24.46	24.46	-	-
Less: Provision for Doubtful Debts	(24.46)	(14.32)	-	-
Interest Accrued on FDR	-	-	13.71	16.00
Interest Accrued on Tax Free Bonds	-	-	3.21	3.21
Interest Accrued Capital Advances (Refer Note 'a')	-	-	95.86	95.86
Interest Accrued others	0.14	0.14	-	-
	35.25	41.37	112.78	115.07

Note

a) The Company has not recognised interest on capital advance of Rs. 4.91 crores, as there is uncertainty of its recoverability. .

Note 7: Deferred Tax Assets (Net)

	As At	As At
	March 31, 2019	March 31, 2018
Gross Deferred Tax Assets	72.54	81.50
Gross Deferred Tax Liabilities	12.46	13.27
	60.08	68.23

Movement in Deferred Tax Liabilities (Net)

	As At	Recognised in	Recognised in	As At
	April 01, 2017	Statement of Profit and Loss	Statement of Other Comprehensive Income	March 31, 2018
Deferred tax assets relates to the following:				
Provision for Employee Benefits	6.44	1.50	(0.32)	7.63
Provision for Bad and Doubtful Debts	2.57	(0.35)	-	2.21
Provision for Doubtful Export Incentive	4.28	(0.59)	-	3.69
Loss on fair valuation of Investment	-	67.97	-	67.97
	13.29	68.53	(0.32)	81.50
Deferred tax liability relates to the following:				
Property, plant and equipment	23.31	(10.04)	-	13.27
	23.31	(10.04)	-	13.27
Net Deferred Tax Assets/(Liability)	(10.02)	78.57	(0.32)	68.23

	As At	Recognised in	Recognised in	As At
	April 01, 2017	Statement of Profit and Loss	Statement of Other Comprehensive Income	March 31, 2019
Deferred tax assets relates to the following:				
Provision for Employee Benefits	7.63	0.70	(1.42)	6.90
Provision for Bad and Doubtful Debts	2.21	0.02	-	2.24
Provision for Doubtful Export Incentive	3.69	2.67	-	6.36
Loss on fair valuation of Investment	67.97	(10.93)	-	57.04
	81.50	(7.53)	(1.42)	72.54

Deferred tax liability relates to the following:

Property, plant and equipment	13.27	(0.81)	-	12.46
	13.27	(0.81)	-	12.46
Net Deferred Tax Assets/(Liability)	68.23	(6.72)	(1.42)	60.08

Note 8 : Non-Current Tax Assets

Advance Tax (including TDS) {net of provision of ₹ 15.67 lakh (March 31,2018 ₹ 25.54 lakh)}

	As At March 31, 2019	As At March 31, 2018
	13.41	11.16
	13.41	11.16

Note 9 : Other Assets

	Non-Current		Current	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
Capital Advances	695.97	695.97	-	-
MAT Credit Entitlement	4.50	4.50	-	-
Balance with government authorities	5.00	1.49	-	-
Advance to Employee	-	-	0.86	0.61
Prepaid Expenses	-	0.63	0.83	0.77
Others	-	-	0.18	0.51
	705.47	702.59	1.87	1.89

Note 10 : Trade Receivables

	As At March 31, 2019	As At March 31, 2018
- Credit Impaired	8.60	8.60
Less: Allowance for Expected Credit Loss	8.60	8.60
	-	-

Refer note 38 for information about credit risk and market risk of trade receivables.

Note 11 : Cash and Cash Equivalents

	As At March 31, 2019	As At March 31, 2018
Balances With Scheduled Banks :		
- Current Accounts	23.55	11.61
- Cheques in hand	0.01	-
Cash on hand	1.16	0.79
	24.72	12.40

Note 12 : Other Bank Balances

	As At March 31, 2019	As At March 31, 2017
Deposit accounts with original maturity of more than 3 months but less than 12 months	442.37	481.68
	442.37	481.68

(₹ in 'lakh' unless otherwise stated)

Note 13 : Share Capital
Authorised:

15,000,000* (March 31,2018: 15,000,000*) equity shares of ₹ 5 each

As At March 31, 2019	As At March 31, 2018
750.00	750.00
750.00	750.00

Issued, Subscribed & Paid Up:

10,796,574 * (March 31,2018: 10,796,574*) equity shares of ₹ 5 each

539.83	539.83
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Add: amount paid up on shares forfeited

3,400* (March 31,2018: 3,400*) equity shares of ₹ 5 each

0.17	0.17
540.00	540.00

* In absolute numbers

a) Reconciliation of Authorised, Issued and Subscribed Share Capital:
I. Reconciliation of Authorised Share Capital as at Year End :

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning of the Year	150.00	750.00	150.00	750.00
Increase/(decrease) during the year	-	-	-	-
Outstanding at the End Of The Year	150.00	750.00	150.00	750.00

II. Reconciliation of Issued and Subscribed Share Capital as at Year End :

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning of the Year	107.97	539.82	107.97	539.82
Add: Increase/(Decrease) During The Year	-	-	-	-
Outstanding at the End Of The Year	107.97	539.82	107.97	539.82

b) Terms/rights Attached to Equity Shares

The Holding Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of Equity shares is entitled to one vote per share. 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. No dividend is proposed by Board of Directors of the Company.

c) Details of shareholders holding more than 5% shares

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	% holding	No. of Shares	% holding
a. Hari B.Bansal	9.96	9.23%	9.96	9.23%
b. Mr.Abhishek Bansal	10.01	9.27%	10.01	9.27%
c. Mr. Chaman Lal Jain	16.90	15.65%	16.90	15.65%
d. Mrs. Urmila Jain	37.14	34.40%	37.14	34.40%

d) The Holding Company has not issued any shares pursuant to any contract without payment being received in cash or as fully paid up by way of bonus shares. The Company has not bought back any shares.

Note 14 : Other Equity

	As At March 31, 2019	As At March 31, 2018
Capital Reserve	61.75	61.75
Security Premium	1,318.51	1,318.51
Retained Earnings	(3.83)	54.88
Total	1,376.43	1,435.14

- a) For Movement during the period in Other Equity, refer “Statement of Change in Equity”.
- b) Nature and purpose of reserves
- Capital Reserve: During 2000-01, specific reserves such as investment allowance reserve, investment allowance utilization reserve, generator subsidy and capital subsidy were transferred into capital reserve.
 - Securities Premium: The amount received in excess of face value of the equity shares is recognised in securities premium.
 - Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
 - Other Comprehensive Income; This amount represents remeasurements of defined benefit plans.

Note 15 : Provisions	Non-Current		Current	
	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Provision for Compensated Absences (Refer Note No. 30)	5.48	5.23	0.51	0.48
Provision for Gratuity (Refer Note No. 30)	5.60	5.09	14.96	18.25
	11.08	10.32	15.47	18.73

Note 16 : Trade Payables

- Outstanding dues to micro and small enterprises
- Outstanding dues to parties other than micro and small enterprises (Refer Note ‘a’ below)

	As At	As At
	March 31, 2019	March 31, 2018
	-	-
	8.27	8.76
	8.27	8.76

- (a) Trade payables to related parties amounts to ₹ Nil lakh as at March 31, 2019 (March 31, 2018 : ₹ Nil lakh)
- (b) As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 & as certified by the management, the amount due to Micro & small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:
- The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. - - -
 - The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. - - -
 - The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. - - -
 - The amount of interest accrued and remaining unpaid at the end of each accounting year. - - -
 - The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. - - -
- c) Refer note 41 for information about liquidity risk and market risk related to trade payables.
- d) There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013 as at March 31, 2019 & March 31, 2018.

(₹ in 'lakh' unless otherwise stated)

Note 17 : Other Current Liabilities

	As At March 31, 2019	As At March 31, 2018
Statutory Dues Payable	3.18	3.09
	3.18	3.09

Note 18 : Current tax liabilities (net)

	As At March 31, 2019	As At March 31, 2018
Advance Income Tax (including TDS) Net of Provision ₹ Nil (March 31, 2018 : ₹ 0.81 lakh)	-	0.04
	-	0.04

(₹ in 'lakh' unless otherwise stated)

Note 19 : Revenue From Operations

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Sale of Products		
- Finished Goods	-	11.80
- Traded Goods	50.69	-
Other Operating Income		
- Scrap Sale	-	0.11
	50.69	11.91

Note 20: Other Income

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Interest on		
- Fixed Deposits	31.32	33.21
- Tax Free Bonds	22.82	22.81
- Others	0.05	-
Miscellaneous Income	0.18	-
Sundry Balances written back	-	0.10
	54.37	56.12

Note 21 : Purchases of Stock-in-Trade

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Purchases of Stock-in-Trade	50.01	-
	50.01	-

Note 22 :Changes in Inventories of Finished Products, Stock-in-trade and Work-in-progress

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Inventories at the beginning of the year		
- Finished Goods	-	10.91
	-	10.91
Inventories at the end of the year		
- Finished Goods	-	-
	-	-
Increase/(Decrease) in Inventories	-	10.91

(₹ in 'lakh' unless otherwise stated)

Note 23 : Employee Benefits Expense

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Salary, Wages & Bonus	32.47	31.91
Contribution to Provident & Other Funds	1.52	1.46
Gratuity (Refer Note No. 32)	2.69	8.43
Compensated Absences (Refer Note No. 32)	0.29	0.80
Staff Welfare Expenses	0.28	0.21
	37.25	42.81

Note 24 : Depreciation and Amortisation Expense

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Depreciation on Tangible Assets (Refer Note 3)	15.40	27.44
	15.40	27.44

Note 25 : Other Expenses

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Electricity & Water Expenses	8.07	3.10
Rent	0.61	0.61
Repairs & Maintenance		
- Machine	-	0.04
- Others	2.04	1.13
Insurance	0.33	0.31
Legal & Professional Charges	6.84	5.68
Rates and taxes	2.59	3.35
Payment to Auditors (Refer Note below)	1.88	2.20
Travelling & conveyance expenses	0.85	1.91
Vehicle Running Expenses	3.46	3.39
Security Service	10.13	10.45
Allowances for Expected credit loss	10.13	-
Miscellaneous Expenses	7.59	11.44
	54.52	43.61

Details of Payments to Auditors
As Auditor:

- Statutory audit	1.10	1.10
- Tax audit	0.25	0.25
- Limited Review	0.30	0.30

In other capacity

- Taxation & Other Matters	0.10	0.41
- Out of pocket expenses	0.04	0.06
	1.79	2.12

Note 26 : Exceptional Item

	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Profit/(Loss) on Sale of Property, Plant and Equipment	(2.89)	(16.25)
	(2.89)	(16.25)

(₹ in 'lakh' unless otherwise stated)

Note 27: Income tax

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

27.1 Income tax recognised in profit or loss

	For the year ended March 31, 2019	For the year ended March 31, 2018
Tax Expense:		
a) Current tax	0.79	0.63
b) Adjustments in respect of current income tax of previous year	0.23	0.10
c) Deferred tax	6.72	(78.57)
Income tax expense reported in the statement of profit or loss	7.75	(77.84)

27.2 Income tax recognised in other comprehensive income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Income-tax on Re-measuresemnt of Defined Benefit Plans	1.42	0.32
	1.42	0.32

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

	As At March 31, 2019	As At March 31, 2018
Accounting profit before tax from continuing operations	(55.01)	(72.99)
At India's statutory income tax rate of 26% (March 31, 2018: 25.75%)	(14.30)	(18.80)
Adjustments in respect of current income tax of previous years	0.23	0.10
Tax on Exempt income	(5.93)	(5.88)
Non-deductible/Taxable expenses for tax purposes:		
Disallowance under 14 A	0.49	0.48
Other non deductible expenses	-	0.81
Deferred tax asset created on loss through FVTPL	-	(67.97)
Deferred tax asset charged on Investment in Shares	10.93	-
Effect of Change in income tax rates	(0.75)	(1.38)
Tax impact on losses of current year	18.50	15.12
At the effective income tax rate	9.17	(77.52)
Income tax expense reported in the statement of profit and loss	9.17	(77.52)
Variance	-	-

The tax rate used for the current year reconciliation above is the corporate tax rate of 26% (March 31, 2018: 25.75%) payable by corporate entities in India on taxable profits under the Indian tax law.

Note 28 : Components of Other Comprehensive Income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Re-measurement gains/ (losses) on defined benefit plans	5.47	1.23
Income tax expense	(1.42)	(0.32)
	4.05	0.91

(₹ in 'lakh' unless otherwise stated)

Note 29 : Earnings per share (EPS)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to the equity holders of the parent (In lakh)	(62.76)	4.85
Weighted average number of equity shares for basic and diluted EPS (in absolute numbers)	10,796,600	10,796,600
Basic and diluted earnings per share (face value ₹ 5 per share)	(0.58)	0.04

(6,275,827.91)	484,789.09
10,796,600.00	10,796,600.00
(0.58)	0.04

Note 30 : Gratuity And Other Post-Employment Benefit Plans
a) Defined Contribution Plans

The Group makes contribution towards provident fund/ pension fund. Under the scheme, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to the defined contribution scheme. The Group during the year recognised the following amount in the Statement of profit and loss account under Group's contribution to defined contribution plan.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident Fund	1.19	1.16
Other funds	0.33	0.30
Total	1.52	1.46

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Group is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

i) Gratuity scheme

The Holding Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service.

(ii) Compensated Absences

The Holding Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 90 accumulations of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

c) The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the defined benefit plan (viz. gratuity and compensated absences). Compensated Absences include earned leaves and sick leaves. These have been provided on accrual basis, based on year end actuarial valuation.

(₹ in 'lakh' unless otherwise stated)

	As At March 31, 2019		As At March 31, 2018	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
Change in benefit obligation				
1 Opening defined benefit obligation	23.35	5.70	16.14	4.91
2 Acquisition Adjustment	-	-	-	-
3 Add: Interest cost	1.76	0.43	1.18	0.36
4 Add: Current service cost	0.93	0.31	0.87	0.31
5 Add: Past service cost	-	-	6.38	-
6 Less: Benefits paid	-	-	-	-
7 Add: Actuarial (gain) / loss	(5.47)	(0.45)	(1.23)	0.13
Present value of obligation as at the end of the year	20.57	6.00	23.35	5.70

d) The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
Cost for the year included under employee benefit				
Add: Current service cost	0.93	0.31	0.87	0.31
Add: Past service cost	-	-	6.38	-
Add: Interest cost	1.76	0.43	1.18	0.36
Less: Return on plan assets	-	-	-	-
Add: Actuarial (gain) / loss	(5.47)	(0.45)	(1.23)	0.12
Net cost	(2.79)	0.30	7.21	0.79

c) Detail of actuarial gain/loss recognised in OCI is as follows:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
1 Actuarial gain / (loss) for the year – obligation	(5.47)	-	(1.23)	-
2 Actuarial gain / (loss) for the year - plan assets	-	-	-	-
3 Total gain / (loss) for the year	(5.47)	-	(1.23)	-
4 Actuarial gain / (loss) recognised in the year	(5.47)	-	(1.23)	-
5 Unrecognised actuarial gains / (losses) at the end of year	-	-	-	-

(₹ in 'lakh' unless otherwise stated)

d) Principal actuarial assumptions at the balance sheet date are as follows:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Unfunded)	Compensated Absences (Unfunded)
Economic assumptions				
1 Discount rate	7.59%	7.59%	7.52%	7.52%
2 Rate of increase in compensation levels	8.00%	8.00%	8.00%	8.00%
Demographic assumptions				
1 Expected average remaining working lives of employees (years)				
2 Retirement Age (years)	60	60	60	60
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) ultimate		Indian Assured Lives Mortality (2006-08) (modified) ultimate	
Withdrawal Rate				
1 Ages up to 30 Years	3.00%	3.00%	3.00%	3.00%
2 Ages from 30-44	2.00%	2.00%	2.00%	2.00%
3 Above 44 years	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

h) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
Present value of obligation	(20.57)	6.00	(23.35)	5.70
Less: Fair value of plan assets	-	-	-	-
Net (assets) / liability	(20.57)	6.00	(23.35)	5.70

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
A. Discount rate				
Effect on DBO due to 0.5% increase in Discount Rate	(0.20)	(0.17)	(0.21)	(0.17)
Effect on DBO due to 0.5% decrease in Discount Rate	0.21	0.18	0.22	0.18
B. Salary escalation rate				
Effect on DBO due to 0.5% increase in Salary Escalation Rate	0.21	0.17	0.22	0.18
Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(0.20)	(0.17)	(0.21)	(0.17)

j) The expected contributions to the defined benefit plan for the next financial year is ₹ 2.15 lakhs(March 31, 2018: ₹ 2.39 lakhs)

k) **Maturity profile of defined benefit obligation is as follows:**

Years	As At March 31, 2019	As At March 31, 2018
0 to 1 years	1,495,996	1,824,982
1 to 2 years	9,950	9,209
2 to 3 years	10,070	9,327
3 to 4 years	136,364	130,054
4 to 5 years	7,422	6,729
5 to 6 years	7,485	6,758
6 year onwards	388,412	347,168

Note 31 : Commitments and contingencies

a) Estimated amount of contracts remaining to be executed on the capital and not provided for in the account ₹ 45.23 lakh (March 31, 2018 : ₹ 45.23 lakh).

b) Contingent liabilities

- (i) Claims against the Group, not accepted and not provided for ₹ 77.42 lakh (March 31, 2018 : ₹ 77.42 lakh)
- (ii) The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952.

Notes

Pending resolution of the respective proceedings, it is difficult for the group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.

The group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The group does not expect any reimbursements in respect of the above contingent liabilities.

Note 32 : Related Party Disclosures

a) Name of the Related Parties and Description of Relationship:

Name of Related Party	Nature of Relationship
Key Management Personnel	Mr.C.L.Jain, Chairman and Managing Director
	Mrs.Urmila Jain - Director
	Mr. Atul Jain, Chief Financial Officer
	Mrs. Heena Arora, Company Secretary upto : February 28, 2018
	Mrs. Nishi Aisha Baig, Company Secretary w.e.f March 7, 2018

b) Transactions with related parties (Including bifurcation of material transaction)

Name of Related Party	Relationship	Nature of Transaction	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Mr.C.L.Jain	Chairman and Managing Director	Managerial Remuneration	9.00	9.00
Mr. Atul Jain	Chief Financial Officer	Salary	6.07	6.07
Mrs. Heena Arora	Company Secretary	Salary	-	1.21
Mrs. Nishi Aisha Baig	Company Secretary	Salary	2.71	0.16

c) Year end balances of related parties

Name of Related Party	Nature of Balance	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Mr.C.L.Jain	Salary payable	0.70	0.70
Mr. Atul Jain	Salary payable	0.47	0.47
Mrs. Nishi Aisha Baig	Salary payable	0.11	0.16
Mrs. Heena Arora	Salary payable	0	1.21

d) Transactions with its Own subsidiary

All the transaction and balances with its own subsidiary are eliminated on consolidation.

e) Terms and conditions of transactions with related parties

All the transaction with the 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 carried interest rate. The unsecured loan from bank are secured against the property of Key Managerial Personnel. No expenses has been recognized in the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.

Note 33 : Segment Information

The Group is engaged in the business of Export of Garments and operates within India. The Company has determined single reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM') and hence there is no other reportable segment as per Ind AS 108 "Operating Segment".

Note 34 : Recent accounting pronouncement

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying amendments to Ind AS 12 'Income Taxes', introduced the Appendix 'C' to Ind AS 12 'Uncertainty over Income Tax Treatments', amendments to Ind AS 19 'Employee Benefits' and also introduced new standard Ind AS 116 'Leases'. These amendments rules are applicable to the Company from April 1, 2019.

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 Interpretations. 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 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 are 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.

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. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders.

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.

The Group is currently evaluating the effect of these amendments on the consolidated financial statements.

Note 35: Capital Management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	As At March 31, 2019	As At March 31, 2018
Borrowings (A)	-	-
Equity share capital (Refer Note No. 13)	540.00	540.00
Other equity (Refer Note No. 14)	1,376.43	1,435.14
Total Capital (B)	1,916.43	1,975.14
Net Debt and Capital (C= A+B)	1916.43	1975.14
Gearing Ratio (D=(A)/(C))	0.00	0.00

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

In order to achieve this overall objective, the Group'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.

Note 36 : Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Fair value of Financial Assets:

Particulars	Carrying Values		Fair Values	
	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial assets Measured At Amortised Cost				
Investment in Equity Share of PNR Capital Services	0.98	0.98	0.98	0.98
Investment Others	298.03	298.03	298.03	298.03
Security Deposits	23.03	19.01	23.03	19.01
Others	125.00	137.43	125.00	137.43
Cash and Cash Equivalents *	24.72	12.40	24.72	12.40
Other Bank Balances *	442.37	481.68	442.37	481.68
	914.13	949.53	914.14	949.53

b) Fair Value of Financial Liabilities:

Particulars	Carrying Values		Fair Values	
	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial Liabilities Measured At Amortised Cost				
Trade payables *	8.27	8.76	8.27	8.76
	8.27	8.76	8.27	8.76

* Management has assessed that cash and cash equivalents, other bank balances, trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 37 : Fair Hierarchy

All financial instruments for which fair value is recognised or disclosed 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.

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

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

a) Quantitative Disclosures Fair Value Measurement Hierarchy For Assets As At March 31, 2019:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through profit or loss					
Investment in Equity Share of PNR Capital Services	0.98	-	-	0.98	-
Investment Others	298.03	298.03	-	-	-
Security Deposits	23.03	23.03	-	-	-
Others	125.00	125.00	-	-	-
Cash and Cash Equivalents *	24.72	24.72	-	-	-
Other Bank Balances *	442.37	442.37	-	-	-
	914.13	913.15	-	0.98	-

b) Quantitative Disclosures Fair Value Measurement Hierarchy For Financial Liabilities As At March 31, 2019:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities measured at fair value through profit or loss					
Trade Payables *	8.27	8.27	-	-	-
	8.27	8.27	-	-	-

c) Quantitative Disclosures Fair Value Measurement Hierarchy for Assets As At March 31, 2018:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through profit or loss					
Investment in Equity Share of PNR Capital Services	0.98		-	0.98	-
Investment Others	298.03	298.03	-	-	-
Security Deposits	19.01	19.01	-	-	-
Others	137.43	137.43	-	-	-
Cash and Cash Equivalents *	12.40	12.40	-	-	-
Other Bank Balances *	481.68	481.68	-	-	-
	949.53	948.55	-	0.98	-

d) Quantitative Disclosures Fair Value Measurement Hierarchy for Financial Liabilities As At March 31, 2018:

	As At March 31, 2019	Amortised Cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities Measured at Amortised Cost					
Trade Payables *	8.76	8.76	-	-	-
	8.76	8.76	-	-	-

Notes:

- (i) The fair values of investment in quoted investment in equity shares is based on the current market price of respective investment as at the reporting date.
- (ii) There have been no transfers between Level 1 and Level 2 category during the year ended on respective reporting date given above.

Note 38: Financial risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations.

The Group's principal financial assets includes loans, security deposits, trade receivables, cash and cash equivalents, deposits with bank, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Group is exposed to credit risk, liquidity risk and market risk.

A. 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 borrowings, short term deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

i) 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. However, the Group doesn't have any interest rate risk.

ii) 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) Group is not exposed to foreign currency sensitivity because Group does not have any outstanding foreign currency exposure as on March 31, 2019 and March 31, 2018.

B. Credit risk

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

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Less than 30 days	30 to 90 days	90 to 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2018	-	-	-	-	-	-
Trade Receivables as of March 31, 2019	-	-	-	-	-	-

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial instruments is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

C. Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

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

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade Payables	-	8.27	-	-	-	8.27
Total	-	8.27	-	-	-	8.27

As at March 31, 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	-	8.76	-	-	-	8.76
Total	-	8.76	-	-	-	8.76

Note 39 : Disclosure of the Additional Information As Required by the Schedule III

The Holding Company has investment in the following private limited companies that are not listed on any public stock exchange.

Name of the Company	Country of Incorporation	Principal Activities	Proportion (%) of Equity Interest	
			As At March 31, 2019	As At March 31, 2018
Aum Texfab Private Limited	India	Manufacturing & Marketing of Readymade Garments	100%	100%

a) As at and for the year ended March 31, 2019

Name of entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit or Loss Share		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
Addi Industries Limited	95.26%	1,825.60	117.40%	(73.68)	100.00%	4.05	118.60%	(69.63)
Subsidiary- Indian								
Aum Texfab Private Limited	8.67%	166.07	-17.40%	10.92	0.00%	-	-18.60%	10.92
Inter- Company Elimination	-3.93%	(75.24)	0.00%	-	0.00%	-	-	-
Total	100.00%	,916.43	100.00%	(62.76)	100.00%	4.05	100.00%	58.71)

b) As at and for the year ended March 31, 2018

Name of entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit or Loss Share		Share in Other Com- prehensive Income (OCI)		Share in Total Comprehen- sive Income	
	As % of consoli- dated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated to- tal comprehen- sive income	Amount
Parent Company								
Addi Industries Limited	95.96%	1,895.25	-113.49%	(5.50)	100.00%	0.91	-79.67%	(4.59)
Subsidiary- Indian								
Aum Texfab Private Limited	7.86%	155.15	213.49%	10.35	0.00%	-	179.67%	10.35
Inter- Company Elimination	-3.81%	(75.26)	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	1,975.14	100.00%	4.85	100.00%	0.91	100.00%	5.76

Note 40 : In view of the management, the current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at March 31, 2019.

Note 41 : The consolidated financial statements of the Holding Company for the year ended 31st March, 2019 were approved by the Board of Directors and authorised for issue on May 29, 2019.

**For and on behalf of the Board of Directors of
Addi Industries Limited**

Sd/-
(C.L. Jain)
Managing Director
DIN 00022903

Sd/-
(S.R. Sharma)
Director
DIN 05288842

Sd/-
(V.B. Aggarwal)
Director
DIN 00022967

Place of Signature: New Delhi
Date: 29th May, 2019

Sd/-
(Nishi Aisha Baig)
Company Secretary
Membership No.: 27741

Sd/-
(Atul Jain)
Chief Financial Officer

ANNEXURE-C

FORM NO. AOC-1

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR

(Rs:-Lakhs)

S. No.	Name of the subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provi- sion for taxation	Profit after taxation	Proposed Dividend	% of share- holding
1	Aum Textab Private Limited	2006	N.A.	N.A.	79	87.07	166.16	0.09	108.49	11.82	11.72	0.80	10.92	0	100

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year Not Applicable

For and on behalf of the Board of Directors of
Addi Industries Limited

Sd/-
Chaman Lal Jain
Managing Director
DIN: 00022903

Sd/-
Hari Bansal
Director
DIN: 00022923

Place: New Delhi
Date: 14.08.2019

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ADDI INDUSTRIES LIMITED

CIN: L51109DL1980PLC256335

**Corp. Office : A-106, Sector-IV,
Noida-201 301 (U.P.)**