MILANO BATHROOM FITTINGS PRIVATE LIMITED
2017-18

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MILANO BATHROOM FITTINGS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **MILANO BATHROOM FITTINGS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other Comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by the 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, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer to Note 2.31 to the financial statements;

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

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

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

sd/-

Dilip M. Muzumdar
Partner
M.No : 8701

Mumbai
May 16 , 2018

Annexure-A to the Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2018 we report that:

i. **FIXED ASSET**

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c. According to the information and explanation given to us and on the basis our examination of the records of the Company, we report that, in respect of immovable properties of land and building that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of Company. Company does not own any Freehold land in the names of Company.

ii. During the Operating cycle of Company, Management regularly conduct physical verification of Finished Goods, Raw material and Stores and Spares which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore clause iii (a) to (c) of the Order, is 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 the Section 185 and 186 of the Act, with respect to the loans and investment made.

v. The Company has not accepted any deposits from the public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products manufactured by the Company.

vii. **STATUTORY DUES**

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, employees' state insurance, value added tax, goods and service tax, duty of customs, Excise duty, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, employees' state insurance, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of duty of customs, excise duty, goods and service tax and sales tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Excise, which have not been deposited by the Company on account of disputes:

Name of the statute	**Period to which the matter pertains**	**Amount in Lacs*(1)**	**Forum where dispute is pending**
Central Excise and Service Tax	April 2013 to Sep 2015	36.80	Commisioner Appeals, Central Excise, Jammu
Central Excise and Service Tax	October 2015 to March 2017	18.18	Commisioner Appeals, Central Excise, Jammu
Central Excise and Service Tax	March 2012 to Dec 2013	1.55	Commisioner Appeals, Central Excise, Jammu

* (1) Net of Amount paid under Protest.

viii. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank and government. The Company has not issued any debentures.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable in all these respects. However, Company has obtained a Term Loan from Bank and in our opinion and according to information and explanation given to us, Company has utilized money for the purpose it is being taken.

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. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the financial statements as required by applicable Indian Accounting Standard. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

xiv. According the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

sd/-

Dilip M. Muzumdar
Partner
M.No : 8701

Mumbai
May 16, 2018

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of MILANO BATHROOM FITTINGS PRIVATE LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

sd/-

Dilip M. Muzumdar
Partner
M.No : 8701

Mumbai
May 16, 2018

Milano Bathroom Fittings Pvt Ltd

Standalone Balance Sheet as at Mar 31, 2018

All amounts are in Rs. '00,000 unless otherwise stated

	Notes	As at Mar 31, 2018	As at Mar 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	2.01	719.64	769.40
Capital work-in-progress	2.02	1.42	1.15
Financial assets			
Investments	2.03	1.00	1.00
Loans	2.05	18.43	17.02
Deferred tax assets (Net)	2.07	260.26	140.04
Other non-current assets	2.08	44.80	41.24
Total non-current assets		**1,045.55**	**969.84**
Current Assets			
Inventories	2.09	1,091.34	905.59
Financial Assets			
Trade Receivables	2.04	2,123.67	1,741.30
Cash and cash equivalents	2.10	1.37	0.69
Other financial assets	2.06	0.40	0.40
Other current assets	2.08	124.59	35.02
Total current assets		**3,341.36**	**2,682.99**
Total assets		**4,386.91**	**3,652.84**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.12	72.45	72.45
Other Equity	2.13	2,515.32	1,946.29
Total equity		**2,587.76**	**2,018.74**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.14	82.18	221.73
Other financial liabilities	2.16	3.24	3.14
Provisions	2.17	38.03	25.39
Deferred tax liabilities (Net)	2.07		
Other non-current liabilities	2.18	39.84	46.21
Total non-current liabilities		**163.30**	**296.48**
Current liabilities			
Financial Liabilities			
Borrowings	2.14	998.20	966.75
Trade payables	2.15		-
Total outstanding dues of Micro Enterprises & Small Enterprises		42.79	34.16
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		271.28	187.65
Other financial liabilities	2.16	205.72	44.29
Other current liabilities	2.18	56.60	11.67
Provisions	2.17	25.62	65.49
Current Tax Liabilities (Net)	2.11	35.62	27.61
Total current liabilities		**1,635.85**	**1,337.62**
Total equity and liabilities		**4,386.91**	**3,652.84**
Summary of significant accounting policies	1		

Refer accompanying notes. These notes are an integral part of the financial statements.

As per our report of even date

For Borkar & Muzumdar

Chartered Accountants

Firm Reg. no 101569W

For and on behalf of the Board of Directors

sd/-

Dilip M. Muzumdar
Partner
M. No. 08710

Place: Mumbai
Date: 16th May'2018

sd/-

Pankaj Sharma
Director
DIN 07457710

sd/-

Manish Bhatia
Director
DIN 00748640

Place: Mumbai
Date: 16th May'2018

Milano Bathroom Fittings Pvt Ltd
Standalone Statement of Profit & Loss for the year ended Mar 31, 2018
All amounts are in Rs. '00,000 unless otherwise stated

	Notes	Year ended March 31 2018	Year ended March 31, 2017
Revenue from operations	2.19	5,456.17	4,807.07
Other income	2.20	152.99	169.83
Total Income		**5,609.15**	**4,976.90**
Expenses			
Cost of materials consumed	2.21	3,799.20	2,950.04
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.22	-165.36	-55.23
Excise duty on sale of goods		200.49	421.22
Manufacturing expenses	2.23	137.01	153.44
Employee benefits expense	2.24	705.52	624.85
Finance costs	2.25	159.40	154.49
Depreciation and amortization expense	2.26	62.91	61.98
Other expenses	2.27	136.61	208.98
Total Expenses		**5,035.77**	**4,519.78**
Profit / (loss) before exceptional items and tax		573.38	457.12
Exceptional items			-
Profit / (loss) before tax		**573.38**	**457.12**
Tax expenses	2.28		
Current tax		-	-
Minimum Alternate Tax		120.88	97.62
Deferred tax		-120.22	-66.19
		0.66	**31.43**
Profit / (loss) for the period from continuing operations		**572.72**	**425.70**
Profit / (loss) for the period from discontinued operations before tax			
Tax expense of discontinued operations			
Profit / (loss) for the period from discontinued operations (after tax)			-
Profit/ (loss) for the period		**572.72**	**425.70**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		-4.64	-0.43
		-4.64	-0.43
Income tax relating to items that will not be reclassified to profit or loss	2.28	-0.95	-
Total other comprehensive income		-3.69	-0.43
Total comprehensive income for the period		**569.02**	**425.27**
Earnings per equity share (for continuing operations) :			
Basic (in Rs.)	2.29	790.55	587.61
Diluted (in Rs.)		790.55	587.61
Earnings per equity share (for discontinued operations) :			
Basic (in Rs.)			
Diluted (in Rs.)			
Earnings per equity share (for discontinued and continuing operations) :			
Basic (in Rs.)		790.55	587.61
Diluted (in Rs.)		790.55	587.61
Significant accounting policies	1		

Refer accompanying notes. These notes are an integral part of the financial statements.

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Reg. no 101569W

sd/-

Dilip Muzumdar
Partner
M. No. 08710
Place: Mumbai
Date: 16th May'2018

For and on behalf of the Board of Directors

sd/-

Pankaj Sharma
Director
DIN 07457710
Place: Mumbai
Date: 16th May'2018

sd/-

Manish Bhatia
Director
DIN 00748640

Milano Bathroom Fittings Pvt Ltd
Cash Flow Statement for the year ended March 31, 2018
All amounts are in Rs. '00,000 unless otherwise stated

	Year ended March 31,	
	2018	**2017**
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	573.38	457.12
Profit Before Tax from Discontinuing Operations		
Profit before income tax including discontinued operations	**573.38**	**457.12**
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	62.91	61.98
Interest Income	-1.47	-31.62
Employee share-based payment expense	-4.64	-0.43
Gain on disposal of property, plant and equipment	-	-
Gain on sale of investments		
Change in fair value of financial assets at fair value through profit or loss		
Unwinding of discount on security deposits		
Dividend and interest income classified as investing cash flows		
Finance costs	159.40	154.49
Net exchange differences		-
	789.58	641.54
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	-382.37	-210.32
Decrease/(increase) in inventories	-185.75	-218.40
Increase/(decrease) in trade payables	92.26	79.86
Increase/(decrease) in other financial assets-Loans	-1.41	-0.94
Increase/(decrease) in other financial assets	-	-0.08
Decrease/(increase) in other non-current assets	-3.56	-92.90
Decrease/(increase) in other current assets	-89.57	46.90
Increase/(decrease) in provisions	-27.23	44.57
Increase/(decrease) in employee benefit obligations	0.98	-27.81
Increase/(decrease) in other current liabilities	38.56	-2.84
Cash generated from operations	-558.09	-381.96
Direct taxes paid (net of refunds)	-111.92	-24.88
Net cash flow from/(used in) operating activities (A)	119.57	234.69
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	-21.49	-45.26
Payments for investment property		-
Payments for purchase of investments		
Payments for software development costs		
Loans to employees and related parties		
Proceeds from sale of investments		
Proceeds from sale of property, plant and equipment	8.07	0.32
Repayment of loans by employees and related parties		
Interest received	1.47	31.62
Dividends received		-
Net cash flow from/(used in) investing activities (B)	-11.95	-13.31
Cash flows from financing activities		
Proceeds from borrowings		
Repayments of borrowings	21.00	-104.84
Finance lease payments	-0.38	-0.37
Repayment of short-term borrowings	31.46	37.65
Interest paid	-159.02	-154.12
Dividends paid to equity shareholders		-
Net cash flow from/(used in) in financing activities (C)	-106.94	-221.68
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	0.68	-0.30
Effect of exchange differences on cash & cash equivalent held in foreign currency		
Cash and cash equivalents at the beginning of the year	0.69	0.99
Cash and cash equivalents at the end of the year	1.37	0.69
Non-cash financing and investing activities		
Acquisition of property, plant and equipment by means of finance lease		
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	1.37	0.69
Bank overdrafts		
Balance as per the cash flow statement :	1.37	0.69

Significant accounting policies 1

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W

For and on behalf of the Board of Directors

sd/-

Dilip M. Muzumdar
Partner
M. No 08701
Place: Mumbai
Date: 16th May'2018

sd/-

Pankaj Sharma
Director
DIN 07457710
Place: Mumbai
Date: 16th May'2018

sd/-

Manish Bhatia
Director
DIN 00748640

Milano Bathroom Fittings Private Limited

Standalone Statement of changes in equity for the year ended March 31, 2018

All amounts are in Rs. Lacs unless otherwise stated

Particulars	Equity Share Capital	Other Equity				Items of Other Comprehensive Income	Total -Equity attributable to Equity Shareholder
		Reserve and Surplus					
		Capital Redemption reserve	Security Premium	Capital Reserve	Retained earnings	Remeasurements of the defined benefit plans	
Balance at March 31, 2017	**72.45**	**37.50**	**230.00**	**235.93**	**1,443.81**	**-0.95**	**2,018.74**
Profit for the year	-				**572.72**		572.72
Other comprehensive income	-					**-3.7**	-3.69
Total comprehensive income for the year	**72.45**	**37.50**	**230.00**	**235.93**	**2,016.53**	**-4.64**	**2,587.76**

Accompanying notes form an integral part of Standalone Financial Statements

As per our report of even date

For and on behalf of
Borkar & Muzumdar
Chartered Accountants
Firm Reg. no 101569W

sd/-

Dilip Muzumdar
Partner
M. No. 08701

Place: Mumbai
Date: 16th May'2018

For and on behalf of the Board of Directors

sd/-

Pankaj Sharma
Director
DIN 07457710

sd/-

Manish Bhatia
Director
DIN 00748640

Place: Mumbai
Date: 16th May'2018

1. Company overview and Significant Accounting Policies

1.1 Company Overview

Milano Bathroom Fittings Private Limited ("The Company"), Company incorporated under the Companies Act, 1956, is a wholly owned subsidiary of Prism Cement Limited ("Holding Company). The Company is engaged in the business of manufacturing of Taps and Fittings. The Company is having two manufacturing units of which one is located in Baddi (Himachal Pradesh) and the other in Samba (Jammu & Kashmir). The Company has entered a supply contract with Holding Company for supplying entire production to them.

Milano Bathroom Fittings Private Limited is incorporated and domiciled in India having its registered office at Plot No.30, Industrial Township, Phase – IV, HIMUDA, Bhatoli Kalan, Baddi – 173205, Himachal Pradesh.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 16th May 2018.

1.2 Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act

The financial statements up to year ended March 31, 2018 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.
Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts disclosed in the financial statement and notes have been rounded off to the nearest digits, except where otherwise indicated.

1.3 Use of judgements, estimates & assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, the disclosure of contingent asset and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. The Application of accounting Policies that require critical accounting estimates involving complex and subjective judgement and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of such changes in the circumstances surrounding the estimates. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Critical Accounting Estimates

a) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
b) Valuation of inventories and Inventory obsolescence;
c) Contingencies.

1.5 Revenue Recognition

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, when all the following conditions are satisfied:

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates but does not include Value added tax (VAT) and Central Sales tax (CST).

The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account revenue includes excise duty.

1.6 Property, Plant and equipment

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

e) Free hold Land is not depreciated. Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company.

f) Stores and Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

g) The Company depreciates Property, Plant & Equipment over their estimated useful lives using the straight-line method. The estimated useful lives of the Asset are as follows:

Assets	Useful life of asset
Building	30 years
Plant and Machinery	3 years to 15 years
Electrical Installations	10 years
Tools and Dies	2 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Furniture and fixtures	10 years
Vehicles	8 years
Machinery spares	Over the useful life of the related assets
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

h) In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience and internal technical inputs which varies from 3 to 15 years.

i) All assets costing up to Rs. 5,000/-, are fully depreciated in the year of capitalization.

j) Land on finance lease is depreciated over the period of Lease. Land costs on account of site dismantlement, removal and restoration is depreciated over the period of benefits obtained by incurring those costs.

1.7 Impairment of Assets

a) **Financial Asset**

The Company recognise loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial asset, ECLs are measured at amount equal to the 12 Month EC, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The Amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amounts that is required to be recognised as an impairment gain or loss in profit or loss.

b) **Non-Financial Asset**

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

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

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company’s assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on a weighted average basis. Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on the Balance Sheet date.

Traded Goods are valued on weighted average cost.

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

1.9 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.10 Financial Instruments

a) **Initial Recognition**

The Company recognizes financial asset and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial asset and liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial asset and financial liabilities that are not fair value through Profit or loss, are added to the fair value on initial recognition.

b) **Subsequent Measurement**

(i). Financial asset at Amortized cost

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

(ii). Financial Asset at Fair Value through other comprehensive income

Financial Asset is subsequently measured through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and contractual terms of the financial asset give rise on specified dates to the cash flows that are solely payments of principle and interest on the principle amount outstanding. Further in cases where the company has made irrevocable election based on its business model, for its investment which are classified as equity instruments, The subsequent changes in fair value are recognized in other comprehensive income.

(iii).Financial Asset at Fair value through Profit & Loss

A Financial Asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv).Financial Liabilities

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

(v). Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

c) **Derecognition**

The Company derecognise a financial asset when the contractual right to the cash flows from the financial asset expire or it transfer the financial asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of financial Liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.11 Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed in the case of:

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

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

The Company ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

1.13 Foreign currency translation

a) **Functional and presentation currency**

The functional currency of the Company is the Indian rupee. These financial Statements are presented in Indian Rupees (Rounded off to Lacs).

b) **Transactions, Translation and balances**

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.14 Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the Equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

1.15 Taxes on Income

Current Tax

Current Income Tax for the current and prior period is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance sheet date.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

1.16 Employee benefit

a) **Gratuity**

The Company provided for gratuity, a defined benefit plan ("the Gratuity Plan") covering eligible employees. The Gratuity plan provides to vested employees a lump sum payment on retirement, death, termination of the employment, of an amount based on the respective employee's salary and the tenure of the employment with the Company.

The liability with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The Company recognizes the net obligation of the defined benefit plan in its balance sheet as a liability.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit or loss as past service cost.

b) **Provident Fund**

Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the Eligible Employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of covered employee's salary. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The contributions are recognised as employee benefit expense when they are due.

c) **ESIC**

Eligible employees of the Company receive benefits from a ESIC, which is a defined contribution plan. Both the Eligible Employees and the Company make monthly contributions to the ESIC plan equal to a specified percentage of covered employee's salary. The Company pays ESIC contributions to Employees State Insurance Corporation as per local regulations. The contributions are recognised as employee benefit expense when they are due.

d) **Compensated Absence**

The Company has a policy on compensated absences such as Paid Leaves, Sick leaves and casual leaves which are both accumulating and Non-Accumulating. Liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.17 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period 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.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

1.18 Dividend

The Final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.19 Other Income

Other Income is comprised primarily of Interest income, dividend income, exchange gain/loss on translation of other asset and liabilities. Dividend income is recognised when the right to receive the payment is established.

1.20 Leases

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

As a lessee

Leases where the company, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Milano Bathroom Fittings Pvt Ltd
Notes to Standalone Financial Statements for the year ended March 31, 2018
All amounts are in Rs. '00,000 unless otherwise stated

2.01 Property, plant and equipment :

	Gross Carrying Amount						Depreciation					Net Block	
	As at April 1, 2017	**Addition**	**Disposal**	**Acquisition through business combinations**	**Other Adjustments**	**As at Mar 31, 2018**	**As at April 1, 2017**	**For the Year**	**Elimination on disposal**	**Other adjustments**	**As at Mar 31, 2018**	**As at Mar 31, 2018**	**As at March 31, 2017**
Own Assets:													
Land - Leasehold	-					-	-				-	-	-
Buildings	403.67					403.67	28.40	14.20			42.60	361.06	375.26
Plant and Machinery	357.91	4.95	8.88			353.97	66.17	32.39	2.07		96.49	257.48	291.74
Electric Installations	48.71	0.07				48.77	13.78	6.15			19.93	28.84	34.93
Furniture & Fixtures	7.66	1.43	0.05			9.04	1.61	0.93	0.01		2.53	6.52	6.05
Computers	1.67	0.04				1.71	1.04	0.28			1.33	0.38	0.62
Vehicles	6.22	7.21	2.49			10.94	2.10	0.98	1.30		1.79	9.15	4.12
Tools & Dies	20.71	7.08				27.79	14.06	5.91	-		19.97	7.81	6.65
Office Equipment	9.04	0.45	0.12			9.37	3.26	1.54	0.10		4.70	4.67	5.78
Mobile	-					-	-				-	-	-
Networking	-					-	-				-	-	-
Mines Development	-					-					-	-	-
Truck Mixers, Loaders and Truc	-					-					-	-	-
Railway siding	-												
Truck Mixers, Loaders and Truck Dumpers	-					-					-	-	-
Total ….A	**855.58**	**21.22**	**11.54**	**-**	**-**	**865.26**	**130.43**	**62.40**	**3.47**	**-**	**189.35**	**675.91**	**725.15**
Assets taken on Finance Lease:													
Land	45.27					45.27	1.02	0.52			1.54	43.72	44.24
Plant and Machinery													
Total ….B	**45.27**	**-**	**-**	**-**	**-**	**45.27**	**1.02**	**0.52**	**-**	**-**	**1.54**	**43.72**	**44.24**
Total …. A+B	**900.85**	**21.22**	**11.54**	**-**	**-**	**910.53**	**131.45**	**62.91**	**3.47**	**-**	**190.89**	**719.64**	**769.40**

Note on Impairment losses will be stated

Assets pledged as security :

Freehold/Leasehold land and buildings with a carrying amount of Rs.44.24 Lacs (as at March 31, 2017: Rs.44.76 Lacs; as at April 1, 2017: Rs.45.27 Lacs) have been pledged to secure borrowings. The freehold land and buildings have been pledged as security for bank loans under a mortgage. Plant and equipment with a carrying amount of Rs.675.91 Lacs (as at March 31, 2017: Rs. 725.15) have been pledged to secure loans from a finance company under a mortgage.

2.02 **Capital Work in Progress:**

												Net Block	
												As at Mar 31, 2018	**As at March 31, 2017**
												1.42	1.15
Total	-	-	-	-	-	-	-	-	-	-	-	**1.42**	**1.15**

2.03 Non-current Investments

	As at Mar 31, 2018 Qty	2018 Amount	2017 Qty	2017 Amount
Investments in Equity Instruments (fully paid-up)				
Other Investments	10,000	1.00	10,000	1.00
(A)	10,000	1.00	10,000	1.00
Total non - current investments (A)	**10,000**	**1.00**	**10,000**	**1.00**
Aggregate amount of unquoted investments			1.00	1.00

2.04 Trade Receivables

	Non Current As at Mar 31, 2018	Non Current 2017	Current As at Mar 31, 2018	Current 2017
Unsecured, considered good			2,123.67	1,741.30
Doubtful				
	-	-	**2,123.67**	**1,741.30**
Allowance for doubtful debts (expected credit loss)				-
Total	-	-	**2,123.67**	**1,741.30**

2.05 Loans

	Non Current As at Mar 31, 2018	Non Current 2017	Current As at Mar 31, 2018	Current 2017
Security Deposits				
Secured, considered good				
Unsecured, considered good	18.43	17.02		
Doubtful				
	18.43	**17.02**	-	-
Less : Impairment of deposits				
(A)	**18.43**	**17.02**	-	-
Total (A)	18.43	17.02	-	-

2.06 Other financial assets

	Non Current As at Mar 31, 2018	Non Current 2017	Current As at Mar 31, 2018	Current 2017
Other Accrued interest			0.40	0.40
Total	-	-	**0.40**	**0.40**

2.07 Deferred tax assets/ liabilities (net)

	As at Mar 31, 2018	2017
Deductible temporary differences		
Unabsorbed Depreciation as per Income Tax	33.57	37.02
Other financial liabilities		
Others		
	33.57	**37.02**
Taxable temporary differences		
Unabsorbed Depreciation as per Income Tax		
Expenses provided but allowable in Income Tax on payment	17.54	15.64
Others	10.98	15.28
	28.52	**30.92**
Unused Tax Credits		
Mat Credit Entitlement	265.31	146.13
	265.31	**146.13**
Net deferred tax asset/ (liabilities)	**-260.26**	**-140.04**

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Acquisitions/ Disposals	Closing Balance
2017 - 18 :					
Deferred tax (liabilities)/assets in relation to :					
Unabsorbed Depreciation as per Income Tax	37.01	-3.44			33.57
Expenses provided but allowable in Income Tax on payment	-15.64	-1.90			-17.54
Others	-15.28	4.30			-10.98
	6.09	**-1.04**	-	-	**5.06**
Tax losses					
Mat Credit Entitlement	-146.13	-119.18			-265.31
	-146.13	**-119.18**	-	-	-265.31
	-140.04	**-120.22**	-	-	**-260.26**
2016-17					
Deferred tax (liabilities)/assets in relation to :					
Unabsorbed Depreciation as per Income Tax	31.66	5.35			37.01
Expenses provided but allowable in Income Tax on payment	-16.52	0.88			-15.64
Others	-17.41	2.13			-15.28
	-2.27	**8.36**	-	-	**6.09**
Tax losses					
Mat Credit Entitlement	-71.58	-74.55			-146.13
	-71.58	**-74.55**	-	-	**-146.13**
	-73.85	**-66.19**	-	-	**-140.04**

The Analysis of Deferred tax Assets and Deferred tax Laibilities is as follows:

	As at March 31, 2018	2017
Deferred Tax Assets:		
Deferred Tax Assets to be recovered after more than 12 months	**293.83**	**177.06**
Deferred Tax Assets to be recovered within 12 months	-	-
	293.83	**177.06**
Deferred Tax Liabilities		
Deferred Tax Liabilities to be recovered after more than 12 months	**33.57**	**37.02**
Deferred Tax Liabilities to be recovered within 12 months	-	-
	33.57	**37.02**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:
- tax losses (revenue in nature)
- tax losses (capital in nature)
- unused tax credits (refer note below)
- deductible temporary differences (describe)

Numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s), disclosing also the basis on which the applicable tax rate(s) is (are) computed

	As at March 31, 2018*	2017*
Accounting Profit	573.38	457.12
Tax at the domestic rate of 27,55 % in 2017, (34.608% in 2016)	121.85	95.74
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes		
Expenses provided but allowable in Income Tax on payment/writeoff(net)		
Other than temporary Differences		
Adjustments for current tax of prior periods	-0.96	1.88
Tax Expense	**120.88**	**97.62**

***** Tax has been calculated on Book Profit under Section 115JB of Income Tax Act, 1961 considering Profit as per IGAAP of March, 2016

2.08 Other assets

	Non Current As at Mar 31, 2018	2017	Current As at Mar 31, 2018	2017
Advances other than Capital Advances				
Security Deposits				
Advances to related parties				
Advances to other parties			7.51	5.21
Advance income tax (net of provision for taxation)				
Balances with statutory/ government authorities	0.13		112.04	26.29
CENVAT/ VAT credit Receivable				
Prepaid expenses			5.04	3.52
Other Duties & Taxes				
Deposit with statutory authorities (Net of provision)				
Subsidy Receivable	44.68	41.24		
Others				
	44.80	**41.24**	**124.59**	**35.02**

2.09 Inventories

	As at Mar 31, 2018	2017
Raw materials	576.60	512.63
Goods-in-transit		
Work-in-progress	77.02	118.23
Goods-in-transit		
Finished goods	437.73	274.73
Goods-in-transit		
Total inventories at the lower of cost and net realisable value	1,091.34	905.59

2.10 Cash and Bank Balances

	As at Mar 31, 2018	2017
Cash and cash equivalent		
Balances with banks:		
On current accounts	0.83	0.63
Cash on hand	0.55	0.07
	1.37	0.69

2.11 Current tax assets and liabilities

	As at Mar 31, 2018	2017
Current tax liabilities		
Provision for Taxation	35.62	27.61
Income tax payable		
Others		
	35.62	**27.61**

2.12 Share capital

	As at Mar 31, 2018	2017
Authorised share capital :		
73,000 (March 31, 2017: 73,000) equity shares of Rs. 100/- each	73.00	73.00
3,87,500 (March 31, 2017: 3,87,500) preference shares of Rs. 100/- each	387.50	387.50
	460.50	460.50
Issued and subscribed capital comprises :		
72,446 (March 31, 2017: 72,446) equity shares of Rs. 100/- each	72.45	72.45
Total issued, subscribed and fully paid-up share capital	72.45	72.45

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:
(Separate reconciliation should be prepared for each ***Class of Shares*** *)*

Equity shares	As at Mar 31, 2018		2017	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
At the beginning of the period	72,446	72.45	72,446	72.45
Outstanding at the end of the period	72,446	72.45	72,446	72.45

b. Rights, preference and restrictions attached to shares:

Equity Shares

The company has only one class of equity shares having a par value of Rs 100/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

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 in proportion to the number of equity shares held by the share holders.

c. Details of share holders holding more than 5% shares in the company

	As at Mar 31, 2018		2017	
	No. of Shares	**% of holding**	**No. of Shares**	**% of holding**
Equity shares of Rs. 100 each fully paid				
Name of the Shareholder				
Prism Cement Ltd *	72,446	100%	72,446	100%

*with effect from 18/04/2018, the name of the Holding Company is changed to Prism Johnson Limited

2.13 Other equity

	As at Mar 31, 2018	2017
General reserve		-
Retained earnings	2,011.89	1,442.86
Securities Premium Account	230.00	230.00
Capital redemption reserve	37.50	37.50
Capital Reserve	235.93	235.93
Reserve for remeasurements of the defined benefit plans		
	2,515.32	1,946.29
Retained earnings		
Balance at beginning of year	1,442.86	1,017.59
Profit for the year	572.72	425.70
(-) 1% Preference Dividend		
(-) Corporate Dividend Tax		
Items of other comprehensive income recognised directly in retained earnings :	-3.69	-0.43
Impact of Amortisation of Leasehold Land		
Adjustment relating to Interest Expenses on Financial Liability Component of Reedeambale Preference Share		
Balance as at the end of the year	**2,011.89**	**1,442.86**
Capital redemption reserve		
Balance as at the beginning of the year	37.50	37.50
Movement during the year		
Balance as at the end of the year	37.50	37.50
Capital Reserve		
Balance as at the beginning of the year	235.93	235.93
Movement during the year		
Balance as at the end of the year	235.93	235.93
Securities Premium Account		
Balance as at the beginning of the year	230.00	230.00
Movement during the year		
Balance as at the end of the year	230.00	230.00
Total other equity	2,515.32	1,946.29

2.14 Borrowings

	Non Current		Current	
	As at Mar 31,		As at Mar 31,	
	2018	2017	2018	2017
Secured				
Term loans				
from banks		-		
Vehicle Loan				
from banks	6.00	0.88		
Loans repayable on demand				
from banks				
Bank overdrafts and cash credits			998.20	966.75
Unsecured				
1% Non Cummulative Reedembale Preference Shares	237.61	221.73		
	243.61	**222.61**	**998.20**	**966.75**
Less : Current maturities of long-term debt (included in Note 2.16)	161.43	0.88		
Total	**82.18**	**221.73**		

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

Nature of Security	Terms of Repayment	As at Mar 31, 2018	As at Mar 31, 2017
i. Vehicle Loan from Bank has been secured against hypothecationof vehicle.	Repayable in 60 equal monthly instalments from December 2012 and Repaybale in 60 equal installments from April 2018	6.00	0.88

(d) Details of long-term borrowings guaranteed by some of the directors or others:

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Term loans from banks		
Principal		
Interest		

The carrying amount of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed below :

(e) Assets pledged as security:

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Current		
Financial assets		
First charge		
Transferred receivables		
Floating charge		
Cash and cash equivalents	1.37	0.69
Receivables	2,123.67	1,741.30
Non - financial assets		
First charge		
Inventories	1,091.34	905.59
	3,216.38	2,647.58
Non - current		
First charge		
Building	361	375
Plant & Equipment	360	395
Furniture, fittings and equipment acquired under finance lease	-	-
	721	771
Total assets pledged as security	3,937	3,418

2.15 Trade payables

	Non Current		Current	
	As at Mar 31,		As at Mar 31,	
	2018	2017	2018	2017
Total outstanding dues of Micro Enterprises & Small Enterprises			42.79	34.16
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises			271.28	187.65
	-	-	314.08	221.82

2.16 Other financial liabilities

	Non Current		Current	
	As at Mar 31,		As at Mar 31,	
	2018	2017	2018	2017
Current maturities of long-term Borrowing			161.43	0.88
Preference Dividend Payable			4.53	4.53
Salary and Employee benefits payable			24.41	22.64
Financial Lease Obligations	3.24	3.14		
Liability for expenses			15.35	16.24
	3.24	3.14	205.72	44.29

Details of Current Maturity of Long Term Debt :				
Secured Loan :				
Term Loan			-	-
Vehicle Loan from bank			1.49	0.88
			1.49	0.88
Unsecured Loan :				
Preference Shares			159.94	-
			161.43	0.88

2.17 Provisions

	Non Current		Current	
	As at Mar 31,		As at Mar 31,	
	2018	2017	2018	2017
Employee benefits				
Provision for Gratuity	22.67	15.02	2.20	0.90
Provision for Leave Encashment	15.36	10.37	2.58	1.02
Provision for Bonus			20.84	20.00
	38.03	**25.39**	**25.62**	**21.91**
Others				
Provision for Excise duty on closing stock			-	43.58
	-	-	-	43.58
	38.03	25.39	**25.62**	**65.49**

2.18 Other liabilities

	Non Current		Current	
	As at Mar 31,		As at Mar 31,	
	2018	2017	2018	2017
Deffered Income	39.84	46.21		
Statutory liabilities			56.60	11.67
	39.84	**46.21**	56.60	11.67

2.19 Revenue from operations	Year ended March 31 2018	Year ended March 31, 2017
Revenue from operations		
Sale of products (including Excise Duty of Rs.200.49 Lacs for the period ended June 30, 2017, Rs.421.22 lacs/-year ended March 31, 2017)	5,456.17	4,807.07
Sale of Services		
Revenue from operations	**5,456.17**	**4,807.07**

2.20 Other Income	Year ended March 31 2018	Year ended March 31, 2017
Interest Income on		
Interest income earned on financial assets that are not designated as fair value through profit or loss :		
Others	1.47	31.62
Other non - operating income		
Dividend Income	0.12	0.10
Excise Duty /GST Rebate	133.11	119.75
Foreign Exchange Gain		
Interest Subsidy	11.56	11.37
Insurance Subsidy	0.33	0.35
Others	6.39	6.63
	152.99	169.83

2.21 Cost of materials consumed	Year ended March 31 2018	Year ended March 31, 2017
Raw Material Consumption	3,423.41	2,594.96
Chemicals Consumption	87.39	77.55
Consumables Consumption	80.30	84.09
Packing Consumption	208.09	193.44
	3,799.20	2,950.04

2.22 (Increase) /decrease in inventories	Year ended March 31 2018	Year ended March 31, 2017
Inventories at the end of the year		
Work - in - progress	77.02	118.23
Finished goods	437.73	274.73
	514.74	**392.96**
Inventories at the beginning of the year		
Work - in - progress	118.23	111.48
Finished goods	274.73	226.25
Excise duty provision on FG	-43.58	-
	349.38	**337.73**
	-165.36	-55.23

2.23 Manufacturing expenses	Year ended March 31 2018	Year ended March 31, 2017
Power and fuel consumed	117.86	117.42
Repairs to plant and machinery	6.02	6.62
Adjustment of excise duty on stock		21.36
Other manufacturing expense	13.14	8.04
	137.01	**153.44**

2.24 Employee Benefits Expense	Year ended March 31 2018	Year ended March 31, 2017
Salaries, wages and bonus	638.34	562.52
Contribution to provident and other fund	26.10	24.47
Gratuity	4.90	4.69
Leave encashment	7.93	5.39
Staff welfare expenses	28.25	27.77
	705.52	**624.85**

2.25 Finance Costs	Year ended March 31 2018	Year ended March 31, 2017
Interest and Finance charges on financial liabilities not a FVTPL		
Interest on Overdraft / Cash Credit	120.32	117.64
Interest on Term Loan	0.02	4.39
Interest expense on redeemable preference shares	15.88	14.57
Other interest expenses	15.36	
Amortization of Leasehold Land	0.38	0.37
Preference Share Dividend including Corporate Tax	4.53	4.53
Other borrowing costs		
Other Financial Charges	2.91	12.99
	159.40	154.49

		Year ended March 31 2018	Year ended March 31, 2017
2.26	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	62.91	61.98
		62.91	61.98

		Year ended March 31 2018	Year ended March 31, 2017
2.27	**Other Expenses**		
	Rent and Maintenance	1.94	0.10
	Rates & Taxes	1.57	5.10
	Travelling & Communication Expenses	12.05	13.75
	Discounts, incentives and commission on sales	5.46	15.81
	Insurance	2.80	2.18
	Freight outward	50.29	79.81
	Loss on Sale of Assets	4.87	-
	Legal and Professional Fees	9.75	41.55
	Loss on exchange fluctuation	3.85	0.10
	Repairs to Buildings	2.77	3.13
	Repairs others	2.05	2.42
	Bank Charges	4.90	2.94
	Other Expenses	34.31	37.74
		136.61	**204.62**

Payment to Auditors	Year ended March 31 2018	Year ended March 31, 2017
As auditor:		
Audit fee	3.90	3.00
Tax Audit Fee	0.50	0.50
In other Capacity:		
Taxation matters	1.10	0.60
Reimbursement of Expenses	0.29	0.26
	5.79	4.36

		Year ended March 31 2018	Year ended March 31, 2017
2.28	**Tax expenses**		
	(a) Income tax expenses :		
	Current tax assets		
	In respect of the current year	121.85	95.74
	In respect of prior years	-0.96	1.88
		120.88	**97.62**
	Deferred tax		
	In respect of the Temprorary differences	-1.04	8.36
	In Respect of Mat Credit Entitlement	-119.18	-74.55
		-120.22	**-66.19**
	Total income tax expense recognised in the current year	**0.66**	**31.43**
	(b) Income tax recognised in other comprehensive income		
	Remeasurements of the defined benefit plans	-0.95	-
		-0.95	**-**
	(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :		
	Profit from continuing operations before income tax expense	**573.38**	**457.1**
	Profit from discontinuing operations before income tax expense		
	Tax at the Indian tax rate of 30% (2015-2016 - 30%)*	121.85	95.74
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
	Goodwill impairment		
	Amortisation of intangibles		
	Weighted deduction on research and development expenditure		
	Contingent consideration		
	Other items		
	Difference in overseas tax rates		
	Adjustments for current tax of prior periods	-0.96	1.88
	Income tax expense	**120.88**	**97.62**
	(d) Amounts recognised directly in equity :		
	Aggregate current and deferred tax arising in the reporting period and not recognised in net profit		
	Current tax	-0.95	
	Deferred tax		
		-0.95	**-**
	(e) Tax losses		
	Unused tax losses for which no deferred tax asset has been recognised	Nil	Nil
	Potential tax benefit @ 30%		

(f) Unrecognised temporary differences

2.29 Earnings Per Share (EPS)

	Year ended March 31, 2018	2017
Basic earnings per share :		
From continuing operations attributable to equity holders of the company	790.55	587.61
From discontinued operations attributable to equity holders of the company		
Total basic earnings per share	790.55	587.61
Diluted earnings per share :		
From continuing operations attributable to equity holders of the company	790.55	587.61
From discontinued operations attributable to equity holders of the company		
Total diluted earnings per share attributable to equity holders of the company	790.55	587.61
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share :		
From continuing operations	572.72	425.70
From discontinued operations		
	572.72	**425.70**
Diluted earnings per share		
Profit from continuing operations attributable to equity holders of the company :		
Used in calculating basic earnings per share	572.72	425.70
Used in calculating diluted earnings per share		
Profit from discontinued operations		
Profit used in calculating diluted earnings per share	**572.72**	**425.70**
Weighted average number of shares used as the denominator :		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	72,446	72,446
Adjustments for calculation of diluted earnings per share :		
Weighted average number of equity shares and potential equity shares used as the denominator in calculating basic earnings per share	72,446	72,446

2.30 Capital management

Risk management

The Company's objectives when managing capital are to

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)
divided by
Total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1.. The gearing ratios were as follows :

	As at March 31, 2018	2017
Net debt	1,241.81	1,189.35
Total equity	2,587.76	2,018.74
Net debt to equity ratio	0.48	0.59

2.31 Contingent liabilities and contingent assets

	As at March 31, 2018	2017
Contingent liabilities		
Central Excise Duty	56.67	
	56.67	-
Contingent assets		

Contingent Liability represents amount of excess refund of duty claimed for Samba Unit for the period from April 2013 to Mar-2017.

2.32 Employee Benefit Plans

1. Defined contribution plans

The total expensse recognised in profit and loss of Rs 26 .10 Lacs (for the year ended March 31, 2017 : Rs 24.74 Lacs) represents contributions payable to Provident fund and ESIC by the Company at rates specified in rules of the plans.

2. Defined Benefits Plans

The company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee’s service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the company. In case of death while in service, the gratuity is payable irrespective of vesting. The liability in respect of plan is determined on the basis of an actuarial valuation.

3. Principal assumptions used for the purpose of actuarial valuation

	Valuation as at	
	31-03-18	**31-03-17**
Discount Rate	7.80%	7.52%
Expected Rate(s) of salary increase	5%	5%
Average longetivity at retirement age for current beneficiaries of plans (years)		
Males	58	58
Females	58	58
Average longetivity at retirement age for current employees (future beneficiaries of the plan)		
Males	58	58
Females	58	58
others(describe)	-	-
Attrition Rate	10%	2%

4. Amounts recognised in consolidated statement of Profit and Loss in respect of defined benefit plans

	Year Ended	
	31-03-18	**31-03-17**
Service cost:		
Current service cost	3.70	3.68
Past service cost and (gain)/loss from settlements		
Net interest expense	1.20	1.08
Component of defined benefit costs recognised in profit & loss	**4.90**	**4.76**
Remeasurement of net defined benefit liability		-
Return on plan assets(excluding amount included in net interest expense)		-
Acturial (gains)/ losses arising from changes in demographic assumptions	3.02	-
Acturial (gains)/ losses arising from changes in financial assumption	-0.41	0.60
Acturial (gains)/ losses arising from experience adjustments	2.02	-0.17
Others(decribe)		-
Adjustments for restrictions on defined beenfit assets		-
Componenets of defined benefits cost recognised in OCI	**4.64**	**0.43**
Total	**9.54**	**5.19**

5. Movements in present value of defined benefit obligation and planned assets

	Year Ended	
	31-03-18	**31-03-17**
Opening defined benefit obligations	15.92	13.78
Current service cost	3.70	3.68
Interest cost	1.20	1.08
Remeasurement (Gains)/loss		
Acturial (gains)/ losses arising from changes in demographic assumptions	3.02	-
Acturial (gains)/ losses arising from changes in financial assumption	-0.41	0.60
Acturial (gains)/ losses arising from experience adjustments	2.02	-0.17
Others(decribe)		-
Past service cost, including losses /(gains) on curtailments		-
Liabilities extingusihed on settlements		-
Liabilities assumed in business combinations		-
Exchange difference on foreign plans		-
Benefits paid	-0.60	-3.05
Others(describe)		-
Closing Defined Benefit Obligation	**24.86**	**15.92**

(a) a sensitivity analysis for each significant actuarial assumption (as disclosed under paragraph 144) as of the end of the reporting period , showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date.

	Year Ended	
	31-03-18	**31-03-17**
Projected Benefit Obligation on Current Assumptions	24.86	15.92
Delta Effect of +1% Change in Rate of Discounting	-1.35	-1.75
Delta Effect of -1% Change in Rate of Discounting	1.52	2.13
Delta Effect of +1% Change in Rate of Salary Increase	1.55	2.16
Delta Effect of -1% Change in Rate of Salary Increase	-1.40	-1.80
Delta Effect of +1% Change in Rate of Employee Turnover	0.17	0.44
Delta Effect of -1% Change in Rate of Employee Turnover	-0.21	-0.54

(b) the methods and assumptions used in preparing the sensitivity analyses required by (a) and the limitations of those methods.

Additional Details	
Methodology Adopted for ALM-	**Projected Unit Credit Method**
Usefulness and Methodology adopted for Sensitivity analysis-	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis
Stress Testing of Assets -	N.A. - as benefit is unfunded
Investment Strategy	N.A. - as benefit is unfunded
Comment on Quality of Assets -	N.A. - as benefit is unfunded
Management Perspective of Future Contributions -	N.A. - as benefit is unfunded

	Ownership interest as at March,31	
2.33 Related Party Transaction	**2018**	**2017**
(a) Holding Company		
Prism Cement Limited	100%	100%

The following transactions occurred with related parties:

	31-Mar-18	**31-Mar-17**
Sales and purchases of goods and services		-
Sale of goods		-
H & R Johnson (A Division of Prism Cement Limited)	6,098.66	4,590.72
Rent Paid		
H & R Johnson (A Division of Prism Cement Limited)	0.02	0.02
Interest Paid		
H & R Johnson (A Division of Prism Cement Limited)	16.95	0.57
Interest Income		
H & R Johnson (A Division of Prism Cement Limited)	1.59	30.67
Preferecne Dividend Paid		
H & R Johnson (A Division of Prism Cement Limited)	3.88	3.88
Purchases of various goods and services from entities Controlled by key management personnel:		
H & R Johnson (A Division of Prism Cement Limited)	10.86	-
Reimbusment of Expenses Paid		
H & R Johnson (A Division of Prism Cement Limited)	44.70	36.76
Reimbusment of Expenses Received		
H & R Johnson (A Division of Prism Cement Limited)	0.03	0.98

	As at March, 31	
	2018	**2017**
Trade recivables (sale of goods and services)		
H & R Johnson (A Division of Prism Cement Limited)	2,123.67	1,678.69
	2,123.67	**1,678.69**

2.34 Consquent to the introduction of Goods and Service Tax (GST) with effect from July 01,2017, Central excise, Value added tax (VAT), etc. have been replaced by GST. In accordance with IND AS 18 on Revenue and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess etc are not included in the Income from Operations for applicable periods. In view of the aforesaid restructuring of indirect taxes, Income from operation for the Year Ended March 2018, are not comparable with the previous Year. Following additional information is being provided to facilitate such comparisons:

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
(a) Income from Operations	5,456.17	4,807.07
(b) Excise duty	-200.49	-421.22
(C) Income from Operations (Net of Excise Duty)	**5,255.68**	**4,385.85**

2.35 Incentive/Subsidy from Government of Jammu and Kashmir and Government of India

As per Jammu and Kashmir Budgetry support scheme under Goods and Service Tax, the company is entitled for 42 % of CGST and 100% SGST paid through debit in cash ledger account maintained by the Entity. The Company has recognised the GST Rebate and credited to "Other Non Opearting Income" under Note 2.22 for Rs 83.61 Lacs.

As per Jammu and Kashmir Budgetry support scheme under Goods and Service Tax, the company is entitled for 58 % of CGST and 29% IGST paid through debit in cash ledger account maintained by the Entity. The Company has recognised the GST Rebate and credited to "Other Non Opearting Income" under Note 2.22 for Rs 9.67 Lacs.

2.36 Segment Information

The Company has only one operating segment viz. manufature of Sanitary Fittings.The disclosure requirement IND AS 108 as applicable to a single reportable segment are as follows:

1. The Company has a single Customer viz. Prism Cement limited and 100% of its sales are done to said Customer
2. Information about products and services
   The Company engaged in the manufacturing of Sanitary fittings
3. The operations of the Company are conducted in a single geographical area i.e. India

All amounts are in Rs. Lacs unless otherwise stated

2.37 Financial Instruments

(i) Mehtod and assumptions used to estimate the fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivable, other banks balances, deposit, loans to employees, trade payables, payables for acquisition of property, Demand loans from banks and cash and cash equivalents are considered to be the same as thier fair values.

b) The fair values for long term loans, Long term security deposit given and remaining non-current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fai values in the fair values hierarchy due to the inlcusions of unobservable inputs.

c) The fair values of long term secutity deposit taken, non-current borrowings and remaining non-current financial liabilities are based on discounted cash flows using a current borrowing rate.They are classified as level 3 fair values hierarchy due to the use of unobservable inputs.inputs.

d) For financial assets and liabilities that are measured at fair values, the carrying amounts are equal to the fair values.

(ii) Categories of Financial Instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Directly or Indirectly observable market inputs, other than Level 1 Inputs; and

Level 3: Inputs which are not based on Observable Market data

March 31, 2018

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
Investment in other companies	1.00			1.00			-
Trade receivables	2,123.67			2,123.67			-
Loan	18.43			18.43			-
Cash and cash equivalents	1.37			1.37			
Other financial assets	0.40			0.40			
	2,144.87	**-**	**-**	**2,144.87**	-	-	-

Financial Liabilities	Carrying Value	Classification FVTPL	Amortised	Fair Value Level 1	Level 2	Level 3
Borrowings	1,241.81		1,241.81			1,241.81
Trade payables	314.08		314.08			-
Other financial liabilities	44.29		44.29			
Financial Lease Obligations	3.24		3.24			3.24
	1,603.42	**-**	**1,603.42**	**-**	**-**	**1,245.06**

March 31, 2017

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets							
Investment in other companies	1.00			1.00			-
Trade receivables	1,741.30			1,741.30			-
Loan	17.02			17.02			-
Cash and cash equivalents	0.69			0.69			
Other financial assets	0.40			0.40			
	1,760.41	**-**	**-**	**1,760.41**	-	-	-

Financial Liabilities	Carrying Value	Classification FVTPL	Amortised Cost	Fair Value Level 1	Level 2	Level 3
Borrowings	1,189.35		1,189.35			1,189.35
Trade payables	221.82		221.82			-
Other financial liabilities	63.41		63.41			
Financial Lease Obligations	3.14		3.14			3.14
	1,477.72	**-**	**1,477.72**	**-**	**-**	**1,192.49**

All amounts are in Rs. Lacs unless otherwise stated

(iii) Financial Risk Management

The Company's Financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Details of Different type of risk and management policy to address these risks are listed below :

The Company's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performnace of the Company, it uses various instruments and follows policies set up by the Board of Directors/Management.

a) Credit Risk :

Credit Risk arises from the possibility that counter party will cause financial loss to the Company by failing to discharge its obligation as agreed.Credit risks from Balances with Banks and financial institutions are managed in accordance with the Company policy.

Entity's Trade receivables consists of It's Co-Venture and Other debtor with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of receivables	March 31, 2018	March 31, 2017
Within the credit period	2,123.67	1,741.30
1-90 days past due	-	-
91-180 days past due	-	-
181-270 days past due	-	-
More than 270 days past due		
Total	**2,123.67**	**1,741.30**

Movement in the expected credit loss allowance	March 31, 2018	March 31, 2017
Balance at beginning of the year	-	-
Net movement in expected credit loss allowance on trade receivables calculated at lifetime	-	-
Total	-	-

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company’s reputation. In addition, processes and policies related to such risks are overseen by the senior management. The Management monitors the Company’s net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

As on March 31, 2018	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	161.43	82.18		243.61
Current borrowings	998.20	-	-	998.20

As on March 31, 2017	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	0.88	221.73	-	222.61
Current borrowings	966.75	-	-	966.75

c) Market Risk

Market Risk is the risk that the fiar value or future cash flows of a financial instrument will fluctuate because of changes in the Market prices.Market Risk comprises two types of risk- Currency Risk and Interest Rate Risk.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate becauses of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies.The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management.The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

Particulars	March 31, 2018	March 31, 2017
Variable rate borrowings	998.20	967.62
Fixed rate borrowings	243.61	221.73

All amounts are in Rs. Lacs unless otherwise stated

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used for internal review by the key management personnel.

Particulars	Impact on Profit / Loss and Equity	
	March 31, 2018	March 31, 2017
Interest rates - increase by 100 basis points *	9.98	9.68
Interest rates - decrease by 100 basis points *	(9.98)	(9.68)

* Assuming all other variables as constant

As per our report of even date
For and on behalf of
Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W

sd/-

Dilip M. Muzumdar
Partner
M. No. 08701

Place: Mumbai
Date: 16th May'2018

For and on behalf of the Board of Directors

sd/-

Pankaj Sharma
Director
DIN 07457710

sd/-

Manish Bhatia
Director
DIN 00748640

Place: Mumbai
Date: 16th May'2018