Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT
To The Members of Apollo Metalex Private Limited
Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **APOLLO METALEX PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 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 standalone 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 obtained by us 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Deloitte Haskins & Sells LLP Chartered Accountants

Deloitte Haskins & Sells LLP

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

   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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid 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 A". 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 Note no. 33(a) of the Ind AS financial statements)

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; (Refer Note no. 33 (b)(4) of the Ind AS financial statements)

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. (Refer Note no. 33 (c) of the Ind AS financial statements)

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Deloitte Haskins & Sells LLP
Chartered Accountants

RASHIM TANDON
Partner
(Membership No.095540)

Ghaziabad
May 24, 2018
RT/AL/2018

Deloitte
Haskins & Sells LLP

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting 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 **APOLLO METALEX 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". 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") issued by the Institute of Chartered Accountants of India 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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.

Deloitte Haskins & Sells LLP
Chartered Accountants

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 the best of our information and according to the explanations 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

RASHIM TANDON
Partner
(Membership No.095540)

Ghaziabad
May 24, 2018
RT/AL/2018

Deloitte Haskins & Sells LLP
Chartered Accountants

Deloitte
Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. In respect of its fixed assets:

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us immovable properties of land and buildings whose conveyance deeds/lease deeds have been pledged as security for loans are held in the name of the Company based on the confirmations received by the Company from lenders. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as part of prepaid expenses in the Ind AS financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

ii. As explained to us, the inventories (excluding goods in transit) were physically verified during the year by the Management at the reasonable intervals and no material discrepancies have been noticed on physical verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv. The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess with the appropriate authorities and there are no undisputed amounts payable in respect of these dues outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.

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(b) Details of dues of Value Added Tax and Excise Duty which have not been deposited as on March 31, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (net of payment) (Rupees in crore)	Amount paid under protest (Rupees in crore)
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Commercial Tax Tribunal, Ghaziabad	2008-09	0.41	-
	Value Added Tax	Commercial Tax Tribunal, Ghaziabad	2009-10	0.19	-
	Value Added Tax	Additional Commissioner Grade-2 (Appeal)	2012-13	0.51	0.20
	Value Added Tax	Additional Commissioner Grade-2 (Appeal)	2013-14	0.66	-
	Value Added Tax	Additional Commissioner Grade-2 (Appeal)	2014-15	0.85	-
	Value Added Tax	Additional Commissioner Grade-2 (Appeal)	2016-17	0.40	0.04
Central Excise Act,1944	Excise	High Court of Allahabad	2011-12 and 2012-13	5.70	-
	Excise	High Court of Allahabad	2010-11 and 2011-12	4.58	-
	Excise	CESTAT, Allahabad	2008-09	0.02	0.02
	Excise	CESTAT, Allahabad	2011-12	0.35	0.03
	Excise	CESTAT, Allahabad	2008-09 to 2011-12	2.91	0.15
	Excise	Assistant Commissioner, Noida	2015-16	0.08	-

We have been informed that there are no other dues of Value Added Tax, Excise Duty, Income-tax, Goods and Service tax, Service Tax, and Custom Duty which have not been deposited as on March 31, 2018 on account of disputes.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has neither obtained any loan or borrowings from government nor it has issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the CARO 2016 Order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.

Deloitte Haskins & Sells LLP
Chartered Accountants

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the CARO 2016 Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the CARO 2016 Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ghaziabad
May 24, 2018
RT/AL/2018

Deloitte Haskins & Sells LLP
Chartered Accountants

RASHIM TANDON
Partner
(Membership No. 095540)

APOLLO METALEX PRIVATE LIMITED
Balance Sheet as at March 31, 2018

(Rupees in crore)

	Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I.	**ASSETS**				
(1)	**Non-current assets**				
(a)	Property,plant and equipment	2(a)	94.94	88.90	87.90
(b)	Capital work-in-progress	2(a)	5.66	5.12	-
(c)	Intangible assets	2(b)	0.01	0.01	0.01
(d)	Financial assets				
	(i) Other financial assets	3	1.98	1.96	2.41
(e)	Other non-current assets	4	8.84	9.06	10.30
	Total non-current assets		**111.43**	**105.05**	**100.62**
(2)	**Current assets**				
(a)	Inventories	5	55.48	77.19	74.80
(b)	Financial assets				
	(i) Trade receivables	6	50.55	54.77	16.18
	(ii) Cash and cash equivalents	7	1.87	0.05	0.17
	(iii) Loans	8	0.23	0.06	0.50
	(iv) Other financial assets	9	0.69	1.98	1.53
(c)	Other current assets	10	1.63	7.59	6.97
	Total current assets		**110.45**	**141.64**	**100.15**
	Total assets		**221.88**	**246.69**	**200.77**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
(a)	Equity share capital	11(a)	2.71	2.71	2.71
(b)	Other equity	11(b)	136.62	97.20	69.40
	Total equity		**139.33**	**99.91**	**72.11**
(2)	**Non-current liabilities**				
(a)	Financial liabilities				
	(i) Borrowings	12	1.40	2.93	20.27
(b)	Provisions	13	0.79	0.48	0.51
(c)	Deferred tax liabilities (net)	14	14.31	12.63	11.21
(d)	Other non-current liabilities	15	0.67	0.46	-
	Total non-current liabilities		**17.17**	**16.50**	**31.99**
(3)	**Current liabilities**				
(a)	Financial liabilities				
	(i) Borrowings	16	29.73	95.83	39.91
	(ii) Trade payables	17	23.20	24.74	42.32
	(iii) Other financial liabilities	18	1.76	5.85	9.20
(b)	Other current liabilities	19	2.69	2.92	4.06
(c)	Provisions	20	0.03	0.02	0.09
(d)	Current tax liabilities (net)	21	7.97	0.92	1.09
	Total current liabilities		**65.38**	**130.28**	**96.67**
	Total equity and liabilities		**221.88**	**246.69**	**200.77**

Notes to the the financial statements 1-41

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

RASHIM TANDON
Partner

Place: Ghaziabad
Date: May 24, 2018

Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

VINAY GUPTA
Managing Director
DIN : 00005149

SANJAY GUPTA
Director
DIN : 00233188

Place: Ghaziabad
Date: May 24, 2018

APOLLO METALEX PVT. LTD.
DELHI NCR

APOLLO METALEX PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2018

(Rupees in crore)

	Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from operations	22	922.59	744.76
II	Other income	23	0.81	0.98
III	**Total revenue (I +II)**		**923.40**	**745.74**
IV	**Expenses**			
	(a) Cost of materials consumed	24	690.15	513.62
	(b) Purchase of stock-in-trade		75.32	34.73
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(3.06)	8.03
	(d) Excise duty expense		23.56	68.92
	(e) Employee benefits expense	26	12.64	12.16
	(f) Finance costs	27	6.00	6.72
	(g) Depreciation and amortisation expenses	2(a)	6.00	6.97
	(h) Other expenses	28	51.88	55.92
	Total expenses		**862.49**	**707.07**
V	**Profit before tax (III - IV)**		**60.91**	**38.67**
VI	**Tax expense:**			
	(a) Current tax		19.75	12.75
	(b) Current tax of earlier year		-	(0.01)
	(c) Deferred tax charge/(credit)		1.70	(1.72)
	Total tax expense		**21.45**	**11.02**
VII	**Profit for the year (V-VI)**		**39.46**	**27.65**
VIII	**Other Comprehensive income**			
	Items that will not be reclassified to profit and loss			
	Remeasurement of post employment benefit obligation		(0.06)	0.23
	Income tax relating to above item		0.02	(0.08)
	Other comprehensive income for the year		**(0.04)**	**0.15**
IX	**Total comprehensive income for the year (VII+VIII)**		**39.42**	**27.80**
X	**Earnings per equity share of Rupees 10 each:**			
	(a) Basic (in Rupees)		145.55	101.99
	(b) Diluted (in Rupees)		145.55	101.99

Notes to the financial statements 1-41

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

RASHIM TANDON
Partner

Deloitte Haskins & Sells LLP Chartered Accountants

Place: Ghaziabad
Date: May 24, 2018

For and on behalf of the Board of Directors

VINAY GUPTA
Managing Director
DIN : 00005149

Place: Ghaziabad
Date: May 24, 2018

SANJAY GUPTA
Director
DIN : 00233188

APOLLO METALEX PVT. LTD. DELHI NCR

APOLLO METALEX PRIVATE LIMITED
Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital

(Rupees in crore)

Particulars	Amount
As at April 1, 2016	2.71
Changes during the year ended March 31, 2017	-
As at March 31, 2017	**2.71**
Changes during the year ended March 31, 2018	-
As at March 31, 2018	**2.71**

B. Other equity

(Rupees in crore)

Particulars	Reserves and surplus				Other Reserves	Total
	Debenture redemption reserve	Securities premium reserve	General Reserve	Surplus (Statement of profit and loss)	Share option outstanding account	
Balance at April 1, 2016	-	4.50	0.50	64.40	-	69.40
Profit for the year ended March 31, 2017	-	-	-	27.65	-	27.65
Other comprehensive income for the year, net of tax	-	-	-	0.15	-	0.15
Total comprehensive income for the year	-	-	-	27.80		27.80
Balance as at March 31, 2017	-	4.50	0.50	92.20	-	97.20
Profit for the year ended March 31, 2018	-	-	-	39.46	-	39.46
Other comprehensive income for the year, net of tax	-	-	-	(0.04)	-	(0.04)
Total comprehensive income for the year	-	-	-	39.42	-	39.42
Balance as at March 31, 2018	-	4.50	0.50	131.62	-	136.62

Notes forming part of the financial statements 1-41

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

RASHIM TANDON
Partner

Place: Ghaziabad
Date: May 24, 2018

Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

VINAY GUPTA
Managing Director
DIN : 00005149

SANJAY GUPTA
Director
DIN : 00233188

Place: Ghaziabad
Date: May 24, 2018

APOLLO METALEX PVT. LTD.
DELHI NCR

APOLLO METALEX PRIVATE LIMITED

Cash flow statemet for the year ended March 31, 2018

(Rupees in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash flow from operating activities		
Profit before tax	60.91	38.67
Adjustments for:		
Depreciation and amortisation expense	6.00	6.97
Loss / (Gain) on sale of property, plant & equipment (net)	0.06	0.32
Finance costs	6.00	6.72
Amortisation of premium on forward contract	0.36	-
Other receivables and advances written off	0.43	-
Operating profit before working capital changes	**73.76**	**52.68**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	21.71	(2.39)
Trade receivables	3.80	(38.60)
Current loans and other financial assets	1.11	-
Non-current loans and other financial assets	(0.02)	0.45
Other current assets	5.96	(0.62)
Other non-current assets	0.07	0.20
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(3.23)	(16.35)
Other current liabilities	(0.23)	(1.14)
Other non current liabilities	0.21	0.46
Current provisions	-	(0.07)
Other financial liabilities	(0.23)	(0.77)
Non-current provisions	0.25	0.20
Cash generated (used in) operations	103.16	(5.95)
Net income tax (paid)/refunds	(12.71)	(9.86)
Net cash flow from / (used in) operating activities (A)	**90.45**	**(15.81)**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advances	(12.53)	(12.52)
Proceeds from sale of property, plant and equipment	0.04	0.15
Net cash flow (used in) investing activities (B)	**(12.49)**	**(12.37)**
C. Cash flow from financing activities		
Repayment of non-current borrowings	(3.76)	(21.01)
Proceeds from current borrowings	2.71	66.86
Repayment of current borrowings	(68.83)	(10.94)
Finance costs	(6.26)	(6.85)
Net cash flow (used in) / from financing activities (C)	**(76.14)**	**28.06**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1.82	(0.12)
Cash and cash equivalents at the beginning of the year	0.05	0.17
Cash and cash equivalents at the end of the year	**1.87**	**0.05**
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents (see note 7)	1.87	0.05
Less: Bank balances not considered as Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements)		
(i) In other deposit accounts		
- original maturity more than 3 months	-	-
Net Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements) included in note 7	1.87	0.05

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

RASHIM TANDON
Partner

Place: Ghaziabad
Date: May 24, 2018

Deloitte Haskins & Sells LLP Chartered Accountants

For and on behalf of the Board of Directors

VINAY GUPTA
Managing Director
DIN : 00005149

SANJAY GUPTA
Director
DIN : 00233188

Place: Ghaziabad
Date: May 24, 2018

APOLLO METALEX PVT. LTD. DELHI NCR

1(i) Company background

Apollo Metalex Private Limited ("the Company") was incorporated on 20 February, 2006. The Company is a wholly owned subsidiary of APL Apollo Tubes Limited (the holding company) and is engaged in the business of production of ERW steel tubes. The Company has two manufacturing units at Sikanderabad, Uttar Pradesh.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorized for issue on May 24,2018.

1(ii) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1,2016 for the purpose of transition to Ind AS, unless otherwise indicated.

(a) Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1,2017.

The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards" with April 1,2016 being the transition date.

In accordance with Ind AS 101"First time adoption of Indian Accounting Standard", the Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standard) Rules,2006 ("Previous GAAP") to Ind AS of total equity as at April 1,2016 and March 31,2017, total comprehensive income and cash flow for the year ended March 31, 2017.

(b) Basis of Preparation

The financial statements have been prepared on a historical cost basis, except of certain assets and liabilities which are required to be carried at fair value by Ind AS.

(c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of propertry, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contigencies.

(d) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(e) Foreign currency translation

(i) **Functional and presentation currency**
The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) **Transactions 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 Statement of Profit and 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).

(f) Revenue recognition

(i) **Sale of goods**
Revenue from sale of goods is measured at fair value of consideration received or receivable. Sales are recognised, net of returns, sales commission and trade discounts, rebates, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with delivery of goods to customers. Sales include excise duty but exclude sales tax/goods & service tax and value added tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) **Interest Income**
Interest income is accrued on a time proportion basis, by reference to the principle outstanding and the effective interest rate applicable.

(iii) **Commission Income**
Commission income is recognised when the servies are rendered.

(iv) **Dividend Income**
Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(g) Government grants

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

(h) Tax expense

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income . In this case, the tax is also recognised in Other Comprehensive Income.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(i) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to 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.

(j) Impairment of assets

At each balance sheet date ,the company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).Where the assets does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell 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 for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(k) Cash and cash equivalents and Cash Flow Statement

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, 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 within borrowings in current liabilities in the Balance Sheet.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(l) Inventories

Raw materials and stores, traded and finished goods

Inventories are valued at the lower of cost (First in First Out -FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

(m) Property, plant and equipment and Capital work-in-progress

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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Depreciation methods, estimated useful lives and residual value
Depreciable amount for assets is the cost of an asset less its estimated residual value.
Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of the certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of various property, plant and equipment is as under:-
(a) Buildings- 10 to 60 years
(b) Roads- 10 years
(c) Plant and machinery used in manufacturing of pipe-10 to 20 years
(d) Other plant and machinery- 2 to 10 years
(e) Vehicles- 8 years
(f) Furniture and fixtures- 10 years
(g) Office equipment- 2-5 years
(h) Computer- 3 years

(n) Intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:
(a) Computer software - 3 to 6 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(o) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(p) Provisions

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 will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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.

(q) Contingent liabilities and contingent assets

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

Contingent assets are disclosed in the financial statements. Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(r) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The cost of short-term compensated absences is accounted as under:
(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick 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 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.

(iii) Post-employment obligations

Defined contribution plans: The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

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Defined benefit plans: For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(t) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(u) Financial instruments – initial recognition, subsequent measurement and impairment

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

A. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The classification criteria of the Company for debt and equity instruments is provided as under:

(a) Debt instruments

Depending upon the business model of the Company, debt instruments can be classified under following categories:
- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Equity instruments

The equity instruments can be classified as:
- Equity instruments measured at fair value through profit or loss ('FVTPL')
- Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

Equity instruments and derivatives are normally measured at FVTPL. However, on initial recognition, an entity may make an irrevocable election (on an instrument-by-instrument basis) to present in OCI the subsequent changes in the fair value of an investment in an equity instrument within the scope of Ind AS - 109.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Investment in equity shares

The Company subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments,* which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit loss are measured through a loss allowance at an amount equal to the following:

(a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or
(b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

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

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) **Derecognition of financial assets**

A financial asset is derecognised only when:
- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities

(i) **Classification**

The Company classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(ii) **Measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:
Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost :
At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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(iii) De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(w) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial Instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(x) Segment information

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

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

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

1(iii) Recent accounting pronouncements

The new Standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Company has not early adopted these amendments and intends to adopt when they become effective.

(a) Ind AS 115 - Revenue from contracts with customers

Ministry of Corporate affairs has notified Ind AS 115 'Revenue from Contracts with customers', which is effective from April 1, 2018. The new standard outlines a single comprehensive control-based model for revenue recognition and supersedes current revenue recognition guidance based on risks & rewards. The Company is evaluating the requirements of Ind AS 115 and its effect of the financial statements.

(b) Ind AS 21 - Foreign currency transactions and advance consideration

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration : On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating requirements of Ind AS 21 and its effect of the financial statements.

(c) Amendments to Ind AS 12 - Recognition of deferred tax assets for unrealised losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after April 1 2018. These amendments are not expected to have material effect on Company's financial statements.

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2(a) : Property, Plant and Equipment

(Rupees in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carrying amounts of :			
Buildings	23.50	24.21	22.73
Plant and machinery	70.75	63.92	64.34
Office equipment	0.10	0.08	0.09
Vehicle	0.50	0.62	0.66
Furniture and fixture	0.04	0.05	0.06
Computer	0.05	0.02	0.02
	94.94	**88.90**	**87.90**
Capital work-in-progress	**5.66**	**5.12**	-

(Rupees in crore)

	Buildings	Plant and machinery	Office equipment	Vehicle	Furniture and fixture	Computer	Total
Cost or deemed cost							
Balance at April 1, 2016	22.73	64.34	0.09	0.66	0.06	0.02	87.90
Additions	2.13	6.17	0.04	0.08	0.01	0.01	8.44
Sales / transfer during the year		(3.01)	-			-	(3.01)
Balance at March 31, 2017	**24.86**	**67.50**	**0.13**	**0.74**	**0.07**	**0.03**	**93.33**
Additions		12.02	0.06			0.05	12.13
Sales / transfer during the year	-	(0.13)	-		-	-	(0.13)
Balance at March 31, 2018	**24.86**	**79.39**	**0.19**	**0.74**	**0.07**	**0.08**	**105.33**
Accumulated depreciation							
Balance at April 1, 2016	-	-	-	-	-	-	-
Elimination on disposal of assets	-	(2.54)	-			-	(2.54)
Depreciation expenses	0.65	6.12	0.05	0.12	0.02	0.01	6.97
Balance at March 31, 2017	**0.65**	**3.58**	**0.05**	**0.12**	**0.02**	**0.01**	**4.43**
Elimination on disposal of assets	-	(0.04)					(0.04)
Depreciation expenses	0.71	5.10	0.04	0.12	0.01	0.02	6.00
Balance at March 31, 2018	**1.36**	**8.64**	**0.09**	**0.24**	**0.03**	**0.03**	**10.39**
Carrying amount							
Balance at April 1, 2016	**22.73**	**64.34**	**0.09**	**0.66**	**0.06**	**0.02**	**87.90**
Additions	2.13	6.17	0.04	0.08	0.01	0.01	8.44
Sales / transfer during the year	-	(0.47)	-	-	-	-	(0.47)
Depreciation expenses	(0.65)	(6.12)	(0.05)	(0.12)	(0.02)	(0.01)	(6.97)
Balance at March 31, 2017	**24.21**	**63.92**	**0.08**	**0.62**	**0.05**	**0.02**	**88.90**
Additions	-	12.02	0.06	-	-	0.05	12.13
Sales / transfer during the year	-	(0.09)	-	-		-	(0.09)
Depreciation expenses	(0.71)	(5.10)	(0.04)	(0.12)	(0.01)	(0.02)	(6.00)
Balance at March 31, 2018	**23.50**	**70.75**	**0.10**	**0.50**	**0.04**	**0.05**	**94.94**

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2(b) Intangible assets

	(Rupees in crore) Computer Software
Cost or deemed cost	
Balance at April 1, 2016	0.01
Additions	-
Sales / transfer during the year	-
Balance at March 31, 2017	**0.01**
Additions	-
Sales / transfer during the year	-
Balance at March 31, 2018	**0.01**
Accumulated depreciation	
Balance at April 1, 2016	-
Adjusted during the year	-
Depreciation expenses	-
Balance at March 31, 2017	-
Adjusted during the year	-
Depreciation expenses	-
Balance at March 31, 2018	-
Carrying amount	
Balance at April 1, 2016	**0.01**
Additions	-
Sales / transfer during the year	-
Depreciation expenses	-
Balance at March 31, 2017	**0.01**
Additions	-
Sales / transfer during the year	-
Depreciation expenses	-
Balance at March 31, 2018	**0.01**

Notes :

(1) The Company has elected to continue with the carrying value of all of its propery, plant and equipment as at the transition date, viz, April 1, 2016 measured as per the previous GAAP and use that carring value as its deemed cost as of the transition date.

(2) Property, plant and equipement as detailed in 2(a) have been pledged as security for term loan taken as at March 31, 2018. Refer note 12 for loans taken against which these property, plant and equipment are pledged.

3 Other financial assets

(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Claim receivable	0.06	0.18	0.02
(b)	VAT credit receivable	0.18	0.32	1.52
(c)	Security deposit	1.74	1.46	0.87
	Total	**1.98**	**1.96**	**2.41**

4 Other non-current assets

(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Capital advances	0.14	0.30	1.34
(b)	Prepaid expenses	8.26	8.52	8.55
(c)	Payment under protest			
	(i) VAT	0.24	0.04	0.21
	(ii) Excise duty	0.20	0.20	0.20
	Total	**8.84**	**9.06**	**10.30**

5 Inventories

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Raw material (including stock-in-transit) (at cost)	28.91	53.74	42.16
(b)	Finished goods (including stock-in-transit) (at cost or net realisable value, whichever is lower)	23.85	20.80	29.02
(c)	Stores and spares (at cost)	2.23	2.17	3.33
(d)	Rejection and scrap (at net realisable value)	0.49	0.48	0.29
	Total	**55.48**	**77.19**	**74.80**
	Details of stock-in-transit			
	Raw material	0.30	0.14	-
	Finished goods	7.17	1.84	4.45
	Rejection and scrap	0.03	0.08	-

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6 Trade receivables
(Unsecured)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Considered good			
	(i) Other than related parties	50.55	54.77	16.18
	Sub total	**50.55**	**54.77**	**16.18**
(b)	Considered doubtful	-	0.08	-
	Less: Allowance for doubtful debts (expected credit loss allowance)	-	(0.08)	-
	Sub total	-	-	-
	Total	**50.55**	**54.77**	**16.18**

(i) The average credit period on sale of goods is 0-60 days. No interest is charged on the trade receivables for the amount overdue above the credit period. There are no customers who represent more than 5% of the total balance of trade receivables.

(ii) In determining the allowance for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(1) Movements in expected credit losses allowance of receivables are as below :

(Rupees in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning of the year	0.08	-
Movement in expected credit loss allowance on trade recievables calculated at lifetime expected credit losses	(0.08)	0.08
Balance at the end of the year	-	**0.08**

(2) Ageing of trade receivables and credit risk arising there from is as below :

(Rupees in crore)

Particulars	As at March 31, 2018		
	Gross credit risk	Allowance for credit losses	Net credit risk
Amounts not yet due	50.14	-	50.14
0-90 days overdue	-	-	-
91-180 days overdue	0.19	-	0.19
181-270 days overdue	-	-	-
271-365 days overdue	0.22	-	0.22
More than 365 days overdue	-	-	-
	50.55	-	**50.55**

(Rupees in crore)

Particulars	As at March 31, 2017		
	Gross credit risk	Allowance for credit losses	Net credit risk
Amounts not yet due	53.43	-	53.43
0-90 days overdue	-	-	-
91-180 days overdue	1.21	-	1.21
181-270 days overdue	0.10	-	0.10
271-365 days overdue	0.03	-	0.03
More than 365 days overdue	0.08	0.08	-
	54.85	**0.08**	**54.77**

(Rupees in crore)

Particulars	As at April 1, 2016		
	Gross credit risk	Allowance for credit losses	Net credit risk
Amounts not yet due	15.99	-	15.99
0-90 days overdue	-	-	-
91-180 days overdue	0.19	-	0.19
181-270 days overdue	-	-	-
271-365 days overdue	-	-	-
More than 365 days overdue	-	-	-
	16.18	-	**16.18**

(3) Ageing wise % of expected credit loss

Particulars	Expected credit loss (%)
Amounts not yet due	-
0-90 days overdue	-
91-180 days overdue	-
181-270 days overdue	-
271-365 days overdue	-
More than 365 days overdue	100%

Note :
There are no oustanding debts due from directors or other officers of the Company.

7 Cash and cash equivalents

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Cash on hand	0.02	0.04	0.13
(b)	Balances with banks - in current accounts	1.85	0.01	0.04
	Total	**1.87**	**0.05**	**0.17**

8 Loans
(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Loans to employee	0.23	0.06	0.50
	Total	**0.23**	**0.06**	**0.50**

9 Other financial assets
(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Government grant:			
	(i) Export incentives	0.69	1.04	0.31
	(ii) Licences in hand	-	0.37	0.09
	(iii) Duty draw back receivable	-	-	0.36
(b)	Other claim recievables	-	-	0.10
(c)	VAT credit receivable	-	0.52	0.62
(d)	Accrued interest	-	0.05	0.05
	Total	**0.69**	**1.98**	**1.53**

10 Other current assets
(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Prepaid expenses	0.21	0.17	0.29
(b)	Balances with government authorities:			
	(i) Goods and service tax credit receivable / Cenvat credit receivable	0.01	2.02	1.65
	(ii) Service tax credit receivable	-	0.93	0.76
(c)	Payment under protest			
	(i) Excise duty	-	-	0.27
(d)	Advance to suppliers	1.41	4.47	4.00
	Total	**1.63**	**7.59**	**6.97**

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(Rupees in crore)

	Particulars	As at March 31, 2018 Number of Shares	As at March 31, 2018 Amount	As at March 31, 2017 Number of Shares	As at March 31, 2017 Amount	As at April 1, 2016 Number of Shares	As at April 1, 2016 Amount
11	**Equity**						
11(a)	**Equity Share capital**						
(i)	**Authorised capital**						
	Equity shares of Rupees 10 each with voting rights	30,00,000	3.00	30,00,000	3.00	30,00,000	3.00
		30,00,000	**3.00**	**30,00,000**	**3.00**	**30,00,000**	**3.00**
(ii)	**Issued capital**						
	Equity shares of Rupees 10 each with voting rights	27,11,100	2.71	27,11,100	2.71	27,11,100	2.71
		27,11,100	**2.71**	**27,11,100**	**2.71**	**27,11,100**	**2.71**
(iii)	**Subscribed and fully paid up capital**						
	Equity shares of Rupees 10 each with voting rights	27,11,100	2.71	27,11,100	2.71	27,11,100	2.71
		27,11,100	**2.71**	**27,11,100**	**2.71**	**27,11,100**	**2.71**

(1) **Reconciliation of the number of shares and amount outstanding as at March31,2018, March 31, 2017 and April 1, 2016 :**

Particulars	Number of shares As at March 31, 2018	Number of shares As at March 31, 2017	Number of shares As at April 1, 2016	Amount As at March 31, 2018 (Rupees in crore)	Amount As at March 31, 2017 (Rupees in crore)	Amount As at April 1, 2016 (Rupees in crore)
Equity share capital						
Outstanding at the beginning of the year	27,11,100	27,11,100	27,11,100	2.71	2.71	2.71
Add: Issued during the year						
Outstanding at the end of the year	**27,11,100**	**27,11,100**	**27,11,100**	**2.71**	**2.71**	**2.71**

(2) **Rights, Preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rupees 10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(3) **Details of shares held by each shareholder holding more than 5% shares:-**

Particulars	As at March 31, 2018 Number of shares held	As at March 31, 2018 % holding in that class of shares	As at March 31, 2017 Number of shares held	As at March 31, 2017 % holding in that class of shares	As at April 1, 2016 Number of shares held	As at April 1, 2016 % holding in that class of shares
APL Apollo Tubes Limited*	27,11,100	100%	27,11,100	100%	27,11,100	100%

* Out of total 2,711,100 equity shares, 2,711,099 equity shares are held by the APL Apollo Tubes Limited (holding company) and remaining 1 share is held by Mr. Vinay Gupta as nominee/representative.

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11(b) Other Equity

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Security premium reserve	4.50	4.50	4.50
	General reserve	0.50	0.50	0.50
	Surplus in Statement of profit and loss	131.62	92.20	64.40
	Total	**136.62**	**97.20**	**69.40**
(1)	**Security premium reserve**			
	Opening balance	4.50	4.50	4.50
	Add: Additions during the year	-	-	-
	Closing balance	**4.50**	**4.50**	**4.50**
(2)	**General reserve**			
	Opening balance	0.50	0.50	0.50
	Add: Transferred from surplus in statement of profit and loss	-	-	-
	Closing balance	**0.50**	**0.50**	**0.50**
(3)	**Surplus in Statement of profit and loss**			
	Opening balance	92.20	64.40	64.40
	Add: Total comprehensive income for the year	39.42	27.80	-
	Closing balance	**131.62**	**92.20**	**64.40**
	Total	**136.62**	**97.20**	**69.40**

Nature and purpose of Reserves :-

(i) Securities premium reserve: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 ("the Companies Act").

(ii) General reserve: General reserves represents the free profits of the company available for distribution. As per the Companies Act, certain amount was required to be transferred to General Reserve every time company distribute dividend.

(iii) Surplus in Statement of profit and loss: It represents unallocated/un-distributed profits of the company. The same is available for distribution.

12 Borrowings

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	**Term Loan:**			
	- From bank			
	(i) Secured (see note (i) below)	1.40	2.80	9.28
	- From others			
	(i) Secured (see note (ii) below)	-	-	10.76
2	**Vehicle Loan:**			
	- From bank			
	(i) Secured by way of hypothecation of vehicles	-	0.13	0.23
	Total	**1.40**	**2.93**	**20.27**

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	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non current borrowings	Current Maturities of non-current borrowings	Non current borrowings	Current Maturities of non-current borrowings	Non current borrowings	Current Maturities of non-current borrowings
(i) Term loan from banks are secured as follows:						
Term Loan are secured by First Pari Passu charge on property, plant & equipment of the Company (both present and future) situated at A-2 and A-25, Industrial Area, Sikanderabad, UP and second charge on current assets of the Company.These credit facilities are further secured by personal guarantee of Directors of the Company i.e. Mr. Vinay Gupta and Mr. Sanjay Gupta (Promoter Directors), and corporate guarantee of M/s. APL Apollo Tubes Limited, holding company. The Loan outstanding as at balance sheet date is repayable in 8 quarterly instalments commencing from June 2018 and ending in March 2020 of Rupees 3,500,000 each. Applicable rate of interest is in the range of 10.50%-9.50%.	1.40	1.40	2.80	1.40	4.20	1.40
By First Pari Passu charge on the current assets of the company(present and future) and factory land and building at A-2, Industrial Area, Sikanderabad,UP. The Loan is further guaranteed by personal guarantee of Directors of the Company i.e. Mr. Sanjay Gupta, Mr. Sameer Gupta and Mr. Vinay Gupta and corporate guarantee of M/s APL Apollo Tubes Limited. During the year the charge has been revised to First Pari Passu charge on movable and immovable assets of the Company (present and future) situated at A-2 and A-25, Industrial Area, Sikanderabad, UP and second charge on current assets of the Company. The Loan outstanding as at balance sheet date is repayable in 4 quarterly instalments commencing from June 2017 and ending in March 2018 of Rupees 5,625,000 each. Applicable rate of interest is in the range of 11.70%-11.40%.	-	-	-	2.25	2.25	2.25
By First Pari Passu Charge on V-2, Land-2, One Villa, Jaypee Greens, Greater Noida. The Loan is further guaranteed by personal guarantee of Director of the Company i.e. Mr. Sanjay Gupta, Mr. Vinay Gupta and Mr. Sameer Gupta. Applicable rate of interest is 9.85%. During the financial year 2017-18, the loan has been fully repaid by the Company.	-	-	-	-	2.83	0.10
Total	**1.40**	**1.40**	**2.80**	**3.65**	**9.28**	**3.75**
ii. Term Loan from financial institution is secured as follows:						
By First Pari Passu Charge on Industrial Land & Building including entire property, plant and equipment at A-25, Sikanderabad, UP. The Loan is further guaranteed by personal guarantee of Director of the Company i.e. Mr. Sanjay Gupta, Mr. Vinay Gupta and Mr. Sameer Gupta and corporate guarantee of M/s APL Apollo Tubes Limited. Applicable rate of interest is in the range of 11.50%-10.25%. During the financial year 2017-18, the loan has been fully repaid by the Company.	-	-	-	-	10.76	3.59
	-	**-**	**-**	**-**	**10.76**	**3.59**

13 Provisions

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Provision for compensated absences	0.20	0.08	
(b)	Provision for gratuity	0.59	0.40	0.51
	Total	**0.79**	**0.48**	**0.51**

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14 Deferred Tax Liabilities (net)

(a) Component of deferred tax assets and liabilities are :-

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i)	Deferred Tax Liabilities on account of			
	- Property, plant & equipments and other intangible assets	14.52	12.78	12.62
	- Financial Assets (Transaction cost on loans)	0.07	0.05	0.05
	Total deferred tax liabilities (A)	**14.59**	**12.83**	**12.67**
(ii)	Deferred Tax Assets on account of			
	- Provision for doubtful debts	-	0.03	-
	- Provision for employee benefit expenses	0.28	0.17	0.19
	- Financial Assets (carried at fair value through P&L)	-	(0.00)	0.01
	Total deferred tax assets (B)	**0.28**	**0.20**	**0.20**
	Minimum alternate tax credit (C)	-	-	**1.26**
	Disclosed as deferred tax liabilities (Net - A-B-C)	**14.31**	**12.63**	**11.21**

(b)

Movement in deferred tax liabilities / asset	As at April 1, 2016	Recognised in profit or loss	Recognised in other comprehensive income	MAT credit utilised not recognised in profit or loss	As at March 31, 2017
Deferred tax liabilities					
Property, plant & equipments and other intangible assets	12.62	0.16	-	-	12.78
Fair Valuation of transaction cost	0.05	(0.01)	-	-	0.05
Total	**12.67**	**0.15**	-	-	**12.83**
Deferred tax assets					
Provision for employee benefit expenses	0.19	0.06	(0.08)	-	0.17
Provision for doubtful debts	-	0.03	-	-	0.03
Fair Valuation of financial assets	0.01	(0.01)	-	-	-
Minimum alternate tax credit	1.26	1.78		(3.04)	-
Total	**1.46**	**1.87**	**(0.08)**	**(3.04)**	**0.20**
Deferred tax liabilities	**11.21**	**(1.72)**	**0.08**	**3.04**	**12.63**

Movement in deferred tax liabilities / asset	As at March 31, 2017	Recognised in profit or loss	Recognised in other comprehensive income	MAT credit utilised not recognised in profit or loss	As at March 31, 2018
Deferred tax liabilities					
Property, plant & equipments and other intangible assets	12.78	1.74	-	-	14.52
Fair Valuation of transaction cost	0.05	0.02	-	-	0.07
Total	**12.83**	**1.76**	-	-	**14.59**
Deferred tax assets					
Provision for employee benefit expenses	0.17	0.09	0.02	-	0.28
Provision for doubtful debts	0.03	(0.03)		-	
Total	**0.20**	**0.06**	**0.02**	-	**0.28**
Deferred tax liabilites	**12.63**	**1.70**	**(0.02)**	-	**14.31**

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15 Other non-current liabilites

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Deferred income (see note below)	0.67	0.46	-
		0.67	**0.46**	**-**

Note :

Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme (refer note 33).

16 Borrowings

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	**Loan repayable on demand**			
	- From bank (secured)			
	(i) Cash credit (see note (i) below)	29.73	38.35	30.06
(b)	**Others**			
	- From bank (secured)			
	(i) Buyer's credit (see note (i) below)	-	33.19	9.85
	- From bank (unsecured)			
	(i) Commercial paper	-	24.29	-
	Total	**29.73**	**95.83**	**39.91**

Nature of security:

(i) Working capital facilities from banks are secured by first pari passu charge on current assets and property, plant and equipment, present and future, of the Company situated at A-2, Industrial Area, Sikanderabad, UP and second pari passu charge on property, plant and equipment of the Company located at A-25, Industrial Area, Sikanderabad, UP. During the current financial year, the charge has been revised to first pari passu charge on current assets, present and future, and second pari passu charge on property, plant and equipment of the Company situated at A-2 and A-25, Industrial Area, Sikanderabad, UP. These credit facilities are further secured by personal guarantee of Directors of the Company i.e. Mr. Vinay Gupta, Mr. Sameer Gupta and Mr. Sanjay Gupta (Promoter Directors), and corporate guarantee of M/s. APL Apollo Tubes Limited, holding company.

17 Trade payables

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Outstanding dues to Micro and small enterprises	-	-	-
(b)	Outstanding dues of creditors other than micro enterprises and small enterprises	23.20	24.74	42.32
	Total	**23.20**	**24.74**	**42.32**

The amount due to Micro and small enterprises as defined in "The Micro, Small and Medium Enterprises Development act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

(Rupees in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) The principal amount remaining unpaid to supplier as at the end of the year	-	-	-
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid by beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-	-	-

18 Other financial liabilities

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Current maturities of non-current borrowings (refer note 12)	1.53	3.76	7.43
(b)	Capital creditors	0.06	0.30	1.07
(c)	Derivative liabilities	0.14	1.51	0.28
(d)	Interest accrued but not due on borrowings	0.03	0.28	0.42
		1.76	**5.85**	**9.20**

19 Other current liabilities

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Statutory remittances	1.96	0.75	0.46
(b)	Advance from customers	0.73	1.15	1.95
(c)	Deferred income (see note below)	-	0.02	-
(d)	Excise duty payable	-	1.00	1.65
	Total	**2.69**	**2.92**	**4.06**

Note :

Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme (refer note 33).

20 Provisions

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Provision for compensated absences	0.02	0.01	0.07
(b)	Provision for gratuity	0.01	0.01	0.02
	Total	**0.03**	**0.02**	**0.09**

21 Current tax liabilities (net)

(Rupees in crore)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Provision for tax (net of advance tax Rupees 12.00 crore) (March 31, 2017 Rupees 17.64 crore, April 1, 2016 Rupees 10.57 crore)	7.97	0.92	1.09
		7.97	**0.92**	**1.09**

22 Revenue from operations

(Rupees in crore)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a)	Sale of products (see note (i) below)	899.93	725.63
(b)	Other operating revenue (see note (ii) below)	22.66	19.13
	Total	**922.59**	**744.76**

(i) Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT) etc. have been replaced by GST. In accordance with 'Ind-AS 18 : Revenue' and Schedule III of the Companies Act, 2013, GST is not included in Revenue from operations for applicable periods. In view of the aforesaid restructuring of indirect taxes, Revenue from operations for year ended March 31, 2018 is not comparable with the year ended March 31, 2017. Following additional information is being provided to facilitate such comparison:

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(I)	Revenue from operations (Gross)	922.59	744.76
(II)	Excise duty	23.56	68.92
(III)	Revenue from operations (net of excise duty)(I-II)	**899.03**	**675.84**
(ii)	**Other operating revenue comprises**		
	Sale of scrap	21.50	17.15
	Export incentive	1.16	1.98
	Total	**22.66**	**19.13**

23 Other income

(Rupees in crore)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a)	Miscellaneous income	0.81	0.98
	Total	**0.81**	**0.98**

24 Cost of material consumed

(Rupees in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventories of raw materials as at the beginning of the year	53.74	42.16
Add: Purchases	665.33	525.20
Less: Inventories of raw materials as at the end of the year	28.91	53.74
Total	**690.15**	**513.62**

25 Change in inventories

(Rupees in crore)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Inventories at the end of the year:		
(a)	Finished goods	23.85	20.80
(b)	Scrap	0.49	0.48
		24.34	**21.28**
	Inventories at the beginning of the year:		
(a)	Finished goods	20.80	29.02
(b)	Scrap	0.48	0.29
		21.28	29.31
	Total	**(3.06)**	**8.03**

26 Employee benefits expense

(Rupees in crore)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a)	Salaries and wages	11.09	10.55
(b)	Contribution to provident and other funds	0.62	0.60
(c)	Gratuity expense (see note 34)	0.19	0.18
(d)	Share based expense to employees (see note 30)	0.57	0.35
(e)	Staff welfare expenses	0.17	0.48
	Total	**12.64**	**12.16**

During the year, the Company recognised an amount of Rupees 1.56 crore (Year ended March 31, 2017 Rupees 1.56 crore) as remuneration to key managerial personnel. The details of such remuneration is as below :

(i) Short term employee benefits	1.56	1.56
(ii) Post employment benefits	-	-
(iii) Other long term employee benefits	-	-
	1.56	**1.56**

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27 Finance costs

(Rupees in crore)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a)	Interest expense :		
	(i) working capital facilities	4.58	4.35
	(ii) term loan	0.51	1.74
	(iii) vehicle loan	0.02	0.02
	(iv) delayed payment of income tax	0.58	-
(b)	Other borrowing cost	0.31	0.61
	Total	**6.00**	**6.72**

28 Other expenses

(Rupees in crore)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a)	Consumption of stores and spare parts	6.13	9.97
(b)	Furnace oil expenses	2.91	1.90
(c)	Power and fuel	10.45	11.02
(d)	Job work charges	0.17	1.36
(e)	Security charges	0.28	0.45
(f)	Rent including lease rentals	0.15	0.52
(g)	Repair and maintenance:		
	(i) Building	0.31	0.24
	(ii) Plant and machinery	0.37	0.45
	(iii) Others	0.07	0.07
(h)	Rates and taxes	0.24	0.16
(i)	Derivatives measured at fair value through proft & loss account	0.36	0.28
(j)	Travelling and conveyance	0.23	0.14
(k)	Legal and professional charges (see note below)	0.61	0.32
(l)	Donations and contributions	-	0.80
(m)	Loss on sale of property, plant and equipment (net)	0.06	0.32
(n)	Freight outward	24.43	24.79
(o)	Other receivables and advances written off	0.43	-
(p)	Provision for old stock	0.02	-
(q)	Provision for doubtful debts	-	0.08
(r)	Miscellaneous expenses	0.37	0.42
(s)	Allocation of common expenses (see note 30)	4.29	2.63
	Total	**51.88**	**55.92**

Note :-

Legal & professional charges include auditor's remuneration (excluding indirect taxes) as follows :

(a) To statutory auditors		
For audit	0.15	0.13
For other services	0.02	0.02
Total	**0.17**	**0.15**
(b) To cost auditors for cost audit	0.01	0.01
Total	**0.01**	**0.01**

29 Corporate social responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of CSR Expenditure as required by the Management are as follows :

(Rupees in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Gross amount required to be spent by the Company during the year	0.57	0.37
Amount spent during the year on purposes other than construction / acquisition of any asset	-	-

30 Allocation of common expenses

During the year, the parent company has charged back the common expenses incurred by it on behalf of group companies on cost i.e. cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of the respective companies, as per audited financial statements, of immediate preceding financial year.

31 Earnings per Equity share

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit attributable to the equity holders of the company used in calculating basic / diluted earnings per share	39.46	27.65
Weighted average number of equity shares used as the denominator in calculating basic / diluted earnings per share	27,11,100	27,11,100
(a) Basic earnings per share	145.55	101.99
(b) Diluted earnings per share	145.55	101.99

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32 **Segment reporting**

The Company is engaged in the business of production of ERW Steel tubes . These are governed by the same set of risk and returns and accordingly the Company's business activity falls within single primary business segment.

Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments.

Assets, liabilities, revenues and results in relation to segments are categorised based on items that are individually identifiable to that segment. Client relationships are driven based on client domicile. Accordingly, the geographical segments include Domestic and Foreign customers.

(Rupees in crore)

Particulars	**Domestic**	**Foreign**
Segment Revenue	874.64	48.76
	(659.01)	(86.73)
Segment Assets	205.69	16.19
	(217.40)	(29.29)
	(184.19)	(16.58)
Segment Liabilities	77.75	4.80
	(129.24)	(17.54)
	(118.33)	(10.33)
Segment Results	39.57	(0.11)
	(19.11)	(8.54)

33 **Contingent liabilities and commitments (to the extent not provided for)**

(Rupees in crore)

	Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
(a)	Contingent liabilities			
(1)	Disputed claims/levies in respect of sales tax:			
	- Statutory forms	-	0.02	0.01
	- Reversal of input tax credit	2.46	2.32	0.97
	- Classification of goods	0.36	0.36	0.36
	- Provisional assessment	0.44	0.44	2.23
		3.26	**3.14**	**3.57**
(2)	Disputed claims/levies in respect of excise duty:			
	- Availability of input credit	13.81	13.79	13.79
	- Demand on clearance of goods	0.03	0.03	0.03
		13.84	**13.82**	**13.82**

No Provision has been considered necessary since the Company expects favourable decision in appeals.

(i) During the year, the Company has discounted the sales bill from the banks for Rupees Nil (Previous year Rupees 1.87 crore).

(b) Commitments

(1) Estimated amount of contracts remaining to be executed on capital account and not provided for

(i) Property, plant and equipment	1.41	1.26	6.29

(2) The Company has obtained Advance licenses under the Duty Exemption Scheme for importing input materials without payment of basic customs duty against submission of bonds.

The export obligation is to be fulfilled within a period of 18 months from the date of issuance of license. Under this scheme the Company has to achieve both the quantity and FOB value of exports specified in the license. Accordingly the Company is required to export goods of FOB Value of at least Rupees 4.89 crore (March 31, 2017 Rupees 18.91 crore, April 1, 2016 Rupees 4.33 crore) against which the company has saved a duty of Rupees 4.87 crore (March 31, 2017 Rupees 4.59 crore, April 1, 2016 Rupees 2.29 crore).

(3) The Company has obtained EPCG (Export Promotion Capital Goods Scheme) licenses for importing the capital goods without payment of basic custom duty against submission of bonds.

The export obligation is to be fulfilled within a period of 6 years from the date of issuance of license. Under this scheme, the Company has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Company is required to export goods of FOB Value of at least Rupees 5.00 crore (March 31, 2017 Rupees 13.39 crore, April 1, 2016 Rupees Nil) against which the Company has saved a duty of Rupees 0.83 crore (March 31, 2017 Rupees 2.23 crore, April 1, 2016 Rupees Nil)

(4) The Company has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services, employee's benefits. The Company does not have any long term commitments or material non-cancellable contractual commitments/contracts, including derivative contracts for which there were any material foreseeable losses.

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

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34 **Employee benefit obligations**

(Rupees in crore)

Particulars	As at March 31, 2018		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.01	0.59	0.60
Total employee benefit obligations	0.01	0.59	0.60

(Rupees in crore)

Particulars	As at March 31, 2017		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.01	0.40	0.41
Total employee benefit obligations	**0.01**	**0.40**	**0.41**

(Rupees in crore)

Particulars	As at April 1, 2016		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.02	0.51	0.53
Total employee benefit obligations	**0.02**	**0.51**	**0.53**

(a) **Defined benefit plans**

a) Gratuity

The Company has an unfunded defined benefit gratuity plan. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of Rupees 0.20 crore (March 31,2017 Rupees 0.10 crore). Vesting occurs upon completion of 5 years of service.

(b) **Defined contribution plans**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rupees 0.40 crore (Year ended March 31, 2017 Rupees 0.39 crore) for Provident Fund contributions, and Rupees 0.23 crore (Year ended March 31, 2017 Rupees 0.21 crore) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(c) **Movement of defined benefit obligation:**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(Rupees in crore)

Particulars	Gratuity
April 1, 2016	0.53
Current service cost	0.14
Interest expense/(income)	0.04
Total amount recognised in profit or loss	**0.18**
Remeasurements	
-effect of change in financial assumptions	0.04
-effect of experience adjustments	(0.28)
Total amount recognised in other comprehensive income	**(0.24)**
Employer contributions : Benefit payments	(0.06)
March 31, 2017	**0.41**
April 1, 2017	0.41
Current service cost	0.16
Interest expense/(income)	0.03
Total amount recognised in profit or loss	**0.19**
Remeasurements	
-Loss due to experience	0.11
-Loss due to change in financial assumptions	(0.05)
-Return on plan assets (greater)/less than discount rate	-
Total amount recognised in other comprehensive income	**0.06**
Employer contributions : Benefit payments	(0.06)
March 31, 2018	**0.60**

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(d) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended April 1, 2016
Discount rate	7.86%	7.40%	7.99%
Salary growth rate	8.00%	8.00%	8.00%
Expected Return on Assets	-	-	-
Retirement age	60 Years	60 Years	60 Years
Mortality	Indian Assured Lives Mortality 2006-08	Indian Assured Lives Mortality 2006-08	Indian Assured Lives Mortality 2006-08
Attrition Rate			
18 to 30 years	3.00%	3.00%	3.00%
30 to 45 years	2.00%	2.00%	2.00%
Above 45 years	1.00%	1.00%	1.00%

Notes :

(1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.

(2) The estimate of future salary increase considered in acturial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(e) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

Particulars	Change in assumption	
	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity		
Discount rate	**1%**	**1%**
Salary growth rate	**1%**	**1%**

Particulars	Increase by 1%	
	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity		
Discount rate	(0.09)	(0.07)
Salary growth rate	0.12	0.09

Particulars	Decrease by 1%	
	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity		
Discount rate	0.12	0.09
Salary growth rate	(0.09)	(0.08)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

(f) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

(g) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 20.06 years.
The expected maturity analysis of undiscounted gratuity is as follows:

(Rupees in crore)

Particulars	Year ended March 2018	Year ended March 2017
Less than a year	0.01	0.01
Between 1 - 2 years	0.08	0.01
Between 2 - 3 years	0.02	0.05
Between 3 - 4 years	0.02	0.02
Between 4 - 5 years	0.04	0.03
Beyond 5 years	0.48	0.34
Total	**0.65**	**0.46**

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35 Related party transactions

(a) Details of related parties:

Details of related parties	Name of related parties
(i) Holding Company	APL Apollo Tubes Limited
(ii) Fellow subsidiaries	Shri Lakshmi Metal Udyog Limited Blue Ocean Projects Private Limited
(iii) Key Management Personnel (KMP)	Mr. Vinay Gupta (Managing Director) Mr. Sanjay Gupta (Director)
(iv) Relatives of KMP	Mrs. Saroj Rani Gupta (Mother of Director)
(v) Enterprises over which any person described in (i) to (iv) above is able to exercise significant Influence	Apollo Pipes Limited Assawa Associates Private Limited (merged with APL Infrastructure Private Limited)

(b) Transactions during the year

(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises over which persons mentioned above able to exercise significant influence	Total
Purchase of goods						
APL Apollo Tubes Limited	135.90	-	-	-	-	135.90
	(89.70)	(-)	(-)	(-)	(-)	(89.70)
Apollo Pipes Limited	-	-	-	-	1.20	1.20
	(-)	(-)	(-)	(-)	(1.02)	(1.02)
Shri Laxmi Metal Udyog Limited	-	46.88	-	-	-	46.88
	(-)	(-)	(-)	(-)	(-)	-
	135.90	**46.88**	-	-	**1.20**	**183.98**
	(89.70)	**(-)**	**(-)**	**(-)**	**(1.02)**	**(90.72)**
Sale of goods						
APL Apollo Tubes Limited	280.36	-	-	-	-	280.36
	(150.51)	(-)	(-)	(-)	(-)	(150.51)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Shri Laxmi Metal Udyog Limited	-	0.25	-	-	-	0.25
	(-)	(-)	(-)	(-)	(-)	(-)
	280.36	**0.25**	-	-	-	**280.61**
	(150.51)	**(-)**	**(-)**	**(-)**	**(-)**	**(150.51)**
Sale of scrap						
APL Apollo Tubes Limited	8.41	-	-	-	-	8.41
	(5.50)	(-)	(-)	(-)	(-)	(5.50)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
	8.41	-	-	-	-	**8.41**
	(5.50)	**(-)**	**(-)**	**(-)**	**(-)**	**(5.50)**
Purchase of scrap						
APL Apollo Tubes Limited	0.03	-	-	-	-	0.03
	(0.05)	(-)	(-)	(-)	(-)	(0.05)
	0.03	-	-	-	-	**0.03**
	(0.05)	**(-)**	**(-)**	**(-)**	**(-)**	**(0.05)**
Purchase of property, plant and equipment						
APL Apollo Tubes Limited	3.03	-	-	-	-	3.03
	(0.03)	(-)	(-)	(-)	(-)	(0.03)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
	3.03	-	-	-	-	**3.03**
	(0.03)	**(-)**	**(-)**	**(-)**	**(0.04)**	**(0.07)**
Sale of property, plant and equipment						
APL Apollo Tubes Limited	-	-	-	-	-	-
	(1.71)	(-)	(-)	(-)	-	(1.71)
	-	-	-	-		-
	(1.71)	**(-)**	**(-)**	**(-)**	-	**(1.71)**
Rent paid						
Assawa Associates Private Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.14)	(0.14)
APL Apollo Tubes Limited	-	-	-	-	-	-
	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Mrs. Saroj Rani Gupta	-	-	-	-	-	-
	(-)	(-)	(-)	(0.24)	(-)	(0.24)
	-	-	-	-	-	-
	(0.01)	**(-)**	**(-)**	**(0.24)**	**(0.14)**	**(0.39)**
Salary						
Mr. Vinay Gupta	-	-	1.56	-	-	1.56
	(-)	(-)	(1.56)	(-)	(-)	(1.56)
	-	-	**1.56**	-	-	**1.56**
	(-)	**(-)**	**(1.56)**	**(-)**	**(-)**	**(1.56)**
Job work receipts						
APL Apollo Tubes Limited	0.18	-	-	-	-	0.18
	(1.81)	(-)	(-)	(-)	(-)	(1.81)
	0.18	-	-	-	-	**0.18**
	(1.81)	**(-)**	**(-)**	**(-)**	**(-)**	**(1.81)**

(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises over which persons mentioned above able to exercise significant influence	Total
Job work expenses						
APL Apollo Tubes Limited	0.17	-	-	-	-	0.17
	(0.98)	(-)	(-)	(-)	(-)	(0.98)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.03)	(0.03)
	0.17	-	-	-	-	**0.17**
	(0.98)	**(-)**	**(-)**	**(-)**	**(0.03)**	**(1.01)**
Commission paid						
APL Apollo Tubes Limited	0.52	-	-	-	-	0.52
	(1.10)	(-)	(-)	(-)	(-)	(1.10)
	0.52	-	-	-	-	**0.52**
	(1.10)	**(-)**	**(-)**	**(-)**	**(-)**	**(1.10)**
Loading & Unloading						
APL Apollo Tubes Limited	0.09	-	-	-	-	0.09
	(-)	(-)	(-)	(-)	(-)	(-)
	0.09	-	-	-	-	**0.09**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Rebate and discount expenses						
APL Apollo Tubes Limited	0.71	-	-	-	-	0.71
	(0.51)	(-)	(-)	(-)	(-)	(0.51)
	0.71	-	-	-	-	**0.71**
	(0.51)	**(-)**	**(-)**	**(-)**	**(-)**	**(0.51)**
Handling charges						
APL Apollo Tubes Limited	-	-	-	-	-	-
	(0.58)	(-)	(-)	(-)	(-)	(0.58)
	-	-	-	-	-	-
	(0.58)	**(-)**	**(-)**	**(-)**	**(-)**	**(0.58)**
Sale of licences						
Apollo Pipes Limited	-	-	-	-	1.57	1.57
	(-)	(-)	(-)	(-)	(0.79)	(0.79)
	-	-	-	-	**1.57**	**1.57**
	(-)	**(-)**	**(-)**	**(-)**	**(0.79)**	**(0.79)**
Allocation of common expenses						
APL Apollo Tubes Limited	3.98	-	-	-	-	3.98
	(2.63)	(-)	(-)	(-)	(-)	(2.63)
Shri Laxmi Metal Udyog Limited	-	0.30	-	-	-	0.30
	(-)	(-)	(-)	(-)	(-)	(-)
	3.98	**0.30**	-	-	-	**4.29**
	(2.63)	**(-)**	**(-)**	**(-)**	**(-)**	**(2.63)**

(c) **Balances outstanding at the end of the year**

(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises over which persons mentioned above able to exercise significant influence	Total
Trade payable						
APL Apollo Tubes Limited	0.97	-	-	-	-	0.97
	(-)	(-)	(-)	(-)	(-)	(-)
	(32.68)	(-)	(-)	(-)	(-)	(32.68)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(0.09)	(0.09)
Shri Laxmi Metal Udyog Limited	-	0.15	-	-	-	0.15
	(-)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(-)
	0.97	**0.15**	-	-	-	**1.12**
	(-)	**(-)**	**(-)**	**(-)**	**(0.09)**	**(0.09)**
	(32.68)	**(-)**	**(-)**	**(-)**	**(0.09)**	**(32.77)**
Trade receivables						
APL Apollo Tubes Limited	-	-	-	-	-	-
	(23.37)	(-)	(-)	(-)	(-)	(23.37)
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Pipes Limited	-	-	-	-	0.03	0.03
	(-)	(-)	(-)	(-)	(0.03)	(0.03)
	(-)	(-)	(-)	(-)	(-)	(-)
APL Infrastructure Private Limited	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	(0.07)	(0.07)
	(-)	(-)	(-)	(-)	(-)	(-)
	-	-	-	-	**0.04**	**0.04**
	(23.37)	**(-)**	**(-)**	**(-)**	**(0.10)**	**(23.47)**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**

Notes :

(i) As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

(ii) APL Apollo Tubes Limited, the holding company has also given corporate guarantee for term loan and other credit facilities taken by the Company from banks (see note 12 and 16 for credit facilities from bank outstanding as at the end of year amounting Rupees 32.66 crore (Year ended March 31, 2017 Rupees 78 [illegible] crore)

(iii) The term loan and other credit facilities of the Company are also secured by personal guarantee of directors of the Company, Mr. Sanjay Gupta and Mr. Vinay Gupta (see note 12 and 16)

36 Income tax expense

The reconciliation of estimated income tax to income tax expense is as below :-

(Rupees in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit before tax as per statement of profit and loss	**60.91**	**38.67**
Income tax expenses calculated as per tax rates of Income tax act of 34.608% (March 31, 2017 : 34.608%)	21.08	12.78
(i) Income exempt from tax / items not deductible	0.37	(1.76)
(ii) Tax on income at different rates (refer note below)	-	-
Tax expense as reported	**21.45**	**11.02**

In February, 2018, the Indian Corporate effective tax rate were changed from 34.608% to 34.944% and substantively enacted and will be effective from April 1, 2018. As a result, the relevant deferred tax balances have been remeasured.

37 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2018, March 31, 2017 and April 1, 2016.

(Rupees in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	FVPL	Amortised cost	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets - Non Current						
Government grants	-	0.18	-	0.32	-	1.52
Claim receivables	-	0.06	-	0.18	-	0.02
Security deposit	-	1.74	-	1.46	-	0.87
Financial assets - Current						
Loans and advances to employees	-	0.23	-	0.06	-	0.50
Trade receivables	-	50.55	-	54.77	-	16.18
Cash and cash equivalents	-	1.87	-	0.05	-	0.17
Government grants	-	0.69	-	1.41	-	0.76
Other	-	-	-	0.57	-	0.77
Total financial assets	**-**	**55.32**	**-**	**58.82**	**-**	**20.79**
Financial liabilities-Non Current						
Borrowings	-	1.40	-	2.93	-	20.27
Financial liabilities-Current						
Borrowings	-	31.26	-	99.59	-	47.34
Foreign currency forward contracts	0.14	-	1.51	-	0.28	-
Trade payable	-	23.26	-	25.04	-	43.39
Others	-	0.03	-	0.28	-	0.42
Total financial liabilities	**0.14**	**55.95**	**1.51**	**127.84**	**0.28**	**111.42**

(a) Financial assets and liabilities measured at fair value - recurring fair value measurements :

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Level 2	Level 2	Level 2
Financial Liabilities			
- Liability for forward contracts	0.14	1.51	0.28
Total financial liabilities	**0.14**	**1.51**	**0.28**

Fair value of forward contracts determined by reference to quote from financial institutions.

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(c) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

38 Financial risk management objectives

The company's activities expose it to market risk (including foreign currency risk and interest rate risk), liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors, Company Treasury Department identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions foreign exchange risk.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

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(i) Foreign currency risk

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in the Company's overall debt positions in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result inreduction in the Company's receivable in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payable as when the exposure arises.

Details of derivative instruments and unhedged foreign currency exposure :-

(1) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2018 :

Forward contract outstanding	Buy/Sell	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
In USD	Sell	10,00,000	51,59,968	14,93,747
Equivalent amount in Rupees in crore	Sell	6.74	34.68	9.91
In EURO	Sell	5,00,000	-	-
Equivalent amount in Rupees in crore	Sell	4.13	-	-

(2) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Currency	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Receivables:			
USD	11,12,273	8,69,279	3,54,632
Equivalent in Rupees in crore	6.48	5.64	2.35
EURO	-	-	-
Equivalent in Rupees in crore	-	-	-
Advance paid to vendors:			
USD	-	-	-
Equivalent in Rupees in crore	-	-	-
EURO	-	-	1,66,800
Equivalent in Rupees in crore	-	-	1.25
Advance Received from Customers:			
USD	-	96,149	66,033
Equivalent in Rupees in crore	-	0.62	0.44
EURO	-	-	-
Equivalent in Rupees in crore	-	-	-

Sensitivity
If INR is depreciated or appreciated by 2.5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss of the company are given below:

Particulars	Impact on profit after tax	
	Year ended March 31, 2018	Year ended March 31, 2017
USD sensitivity		
INR/USD Increases by 2.50% (March 31, 2017 - 2.50%)	0.11	0.04
INR/USD Decreases by 2.50% (March 31, 2017 - 2.50%)	(0.11)	(0.04)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

(Rupees in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable rate borrowings	29.73	95.83	39.91
Fixed rate borrowings	2.93	6.68	27.70
Total borrowings	**32.66**	**102.52**	**67.61**

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As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

Particulars	Balance	% of total loans
As at March 31, 2018		
Bank overdrafts, bank loans, Cash Credit	29.73	91%
As at March 31, 2017		
Bank overdrafts, bank loans, Cash Credit	95.83	93%
As at April 1, 2016		
Bank overdrafts, bank loans, Cash Credit	39.91	59%

Sensitivity
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(Rupees in Crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest rates – increase by 50 basis points (50 bps)	(0.10)	(0.31)
Interest rates – decrease by 50 basis points (50 bps)	0.10	0.31

(b) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the company.

Company's trade receivables are generally categories into following categories:
1. Export customers
2. Institutional customers
3. Dealers

In case of export sales, in order to mitigate credit risk, generally sales are made on advance payment terms. Where export sales are not made on advance payment terms, the same are secured through letter of credit or bank guarantee, etc.

In case of sale to institutional customers certain credit period is allowed. In order to mitigate credit risk, majority of the sales are secured by letter of credit, bank guarantee, post dated cheques, etc.

In case of sale to dealers certain credit period is allowed. In order to mitigate credit risk, majority of the sales made to dealers are secured by way of post dated cheques (PDC).

Further, Company has an ongoing credit evaluation process in respect of customers who are allowed credit period.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

Reconciliation of loss allowance provision – Trade receivables

	(Rupees in crore)
Allowance for credit loss on April 1, 2016	-
Charge in statement of profit and loss	0.08
Allowance for credit loss on March 31, 2017	**0.08**
Charge in statement of profit and loss	-
Utilised during the year	(0.08)
Allowance for credit loss on March 31, 2018	-

(c) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Floating rate	70.27	3.46	60.09
Nature of facility	Working Capital	Working Capital	Working Capital

(ii) Maturities of financial liabilities :
The table below analyses the company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

(Rupees in crore)

	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
As at March 31, 2018				
Borrowings	31.26	1.40	-	32.66
Trade payable	23.26	-	-	23.26
Others	0.03	-	-	0.03
Total non-derivative liabilities	**54.55**	**1.40**	-	**55.95**
As at March 31, 2017				
Borrowings	99.59	2.93	-	102.52
Trade payable	25.04	-	-	25.04
Others	0.28	-	-	0.28
Total non-derivative liabilities	**124.91**	**2.93**	-	**127.84**
As at April 1, 2016				
Borrowings	47.34	20.27	-	67.61
Trade payable	43.39	-	-	43.39
Others	0.42	-	-	0.42
Total non-derivative liabilities	**91.15**	**20.27**	-	**111.42**

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39 **Reconciliation of liabilities arising from financing activities**

(Rupees in crore)

Particulars	As at April 1, 2016	Net Cash flows	Non-cash changes- foreign exchange movement	As at March 31, 2017
Non-current borrowings	20.27	(17.34)	-	2.93
Current borrowings	39.91	54.56	1.36	95.83
Current maturities of non-current borrowings	7.43	(3.67)	-	3.76
Total liabilities from financing activities	**67.61**	**33.55**	**1.36**	**102.52**

(Rupees in crore)

Particulars	As at March 31, 2017	Net Cash flows	Non-cash changes- foreign exchange movement	As at March 31, 2018
Non-current borrowings	2.93	(1.53)	-	1.40
Current borrowings	95.83	(66.10)	-	29.73
Current maturities of non-current borrowings	3.76	(2.23)	-	1.53
Total liabilities from financing activities	**102.52**	**(69.86)**	**-**	**32.66**

40 **Capital management**

(a) **Risk management**

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

(Rupees in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current borrowings	1.40	2.93	20.27
Current maturities of non-current borrowings	1.53	3.76	7.43
Current borrowings	29.73	95.83	39.91
Less: Cash and cash equivalents	(1.87)	(0.05)	(0.17)
Total Debts	**30.79**	**102.47**	**67.44**
Total Equity	**139.33**	**99.91**	**72.11**
Gearing Ratio	**0.22**	**1.03**	**0.94**

Equity inludes all capital and reserves of the Company that are managed as capital.

41 **First-time adoption of Ind AS**

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

The accounting policies set out in Note 1(ii) have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (Company's date of transition to Ind AS). In preparing its opening Ind AS Balance Sheet, the company has adjusted the amounts reported previously in standalone financial statements prepared in accordance with the applicable accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. **Exemptions and exceptions availed**

(a) **Ind AS optional exemptions**

(i) **Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption is also used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value, which has been considered as deemed cost.

(b) **Ind AS mandatory exceptions**

(i) **Estimates**
Estimates made under Ind AS at April 1, 2016 are consistent with the estimates as under previous GAAP.

(ii) **Classification and measurement of financial assets**

Ind AS 101 requires that an entity should assess the classification of its financial assets on the basis of facts and circumstances exist on the date of transition. Accordingly, in its Opening Ind AS Balance Sheet, the company has classified all the financial assets on basis of facts and circumstances that existed on the date of transition, i.e., April 1, 2016.

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B. Reconciliation between previous GAAP and Ind AS :-

(a) Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 1, 2016

(Rupees in crore)

	Particulars	Notes to reconciliation	As at March 31, 2017			As at April 1, 2016		
			Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
I.	**ASSETS**							
(1)	**Non-current assets**							
(a)	Property, plant and equipment	1	96.96	(8.06)	88.90	96.57	(8.67)	87.90
(b)	Capital work-in-progress		5.12	-	5.12	-	-	-
(c)	Intangible assets		0.01	-	0.01	0.01	-	0.01
(d)	Financial assets							
	(i) Other financial assets		1.96	-	1.96	2.41	-	2.41
(e)	Other non-current assets	1 & 7	0.54	8.52	9.06	1.75	8.55	10.30
	Total non-current assets		**104.59**	**0.46**	**105.05**	**100.74**	**(0.12)**	**100.62**
(2)	**Current assets**							
(a)	Inventories		77.19	-	77.19	74.80	-	74.80
(b)	Financial assets							
	(i) Trade receivables		54.77	-	54.77	16.18	-	16.18
	(ii) Cash and cash equivalents		0.05	-	0.05	0.17	-	0.17
	(iii) Loans		0.06	-	0.06	0.50	-	0.50
	(iv) Other financial assets		1.98	-	1.98	1.53	-	1.53
(c)	Other current assets	1 & 7	7.44	0.15	7.59	6.68	0.29	6.97
	Total current assets		**141.49**	**0.15**	**141.64**	**99.86**	**0.29**	**100.15**
	Total assets		**246.08**	**0.61**	**246.69**	**200.60**	**0.17**	**200.77**
II.	**EQUITY AND LIABILITIES**							
(1)	**Equity**							
(a)	Equity share capital		2.71	-	2.71	2.71	-	2.71
(b)	Other equity		97.79	(0.59)	97.20	69.64	(0.24)	69.40
	Total equity		**100.50**	**(0.59)**	**99.91**	**72.35**	**(0.24)**	**72.11**
(2)	**Non-current liabilities**							
(a)	Financial liabilities							
	(i) Borrowings		2.93	-	2.93	20.27	-	20.27
(b)	Provisions		0.48	-	0.48	0.51	-	0.51
(c)	Deferred tax liabilities (net)	8	12.58	0.05	12.63	11.16	0.05	11.21
(d)	Other non-current liabilities	4	-	0.46	0.46	-	-	-
	Total non-current liabilities		**15.99**	**0.51**	**16.50**	**31.94**	**0.05**	**31.99**
(3)	**Current liabilities**							
(a)	Financial liabilities							
	(i) Borrowings		95.83	-	95.83	39.91	-	39.91
	(ii) Trade payables	2	24.05	0.69	24.74	41.99	0.33	42.32
	(iii) Other financial liabilities	3	5.85	-	5.85	9.17	0.03	9.20
(b)	Other current liabilities		2.92	-	2.92	4.06	-	4.06
(c)	Provisions		0.02	-	0.02	0.09	-	0.09
(d)	Current tax liabilities (net)		0.92	-	0.92	1.09	-	1.09
	Total current liabilities		**129.59**	**0.69**	**130.28**	**96.31**	**0.36**	**96.67**
	Total equity and liabilities		**246.08**	**0.61**	**246.69**	**200.60**	**0.17**	**200.77**

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(b) Reconciliation of total equity as at March 31, 2017 and April 1, 2016.

(Rupees in crore)

Particulars	Notes to reconciliation	As at March 31, 2017	As at April 1, 2016
Equity share capital		2.71	2.71
Reserve & Surplus		97.79	69.64
Total equity (shareholder's funds) as per previous GAAP		**100.50**	**72.35**
Adjustments			
Share based expense	1	(0.68)	(0.33)
Fair valuations of Forward contracts	2	-	(0.02)
Other GAAP adjustments	3	0.14	0.16
Tax effects of adjustments	4	(0.05)	(0.05)
Total adjustments		**(0.59)**	**(0.24)**
Total equity as per Ind AS		**99.91**	**72.11**

(c) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2017

(Rupees in crore)

	Particulars	Notes to reconciliation	Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenue from operations		744.76	-	744.76
	Less : Excise duty expense	6	68.92	(68.92)	-
	Revenue from operations (net)		**675.84**	**68.92**	**744.76**
II	Other Income	5	0.08	0.90	0.98
III	**Total income (I +II)**		**675.92**	**69.82**	**745.74**
IV	**Expenses**				
	Cost of materials consumed		513.62	-	513.62
	Purchase of stock-in-trade		34.73	-	34.73
	Changes in inventories of finished goods,work-in-progress and stock-in-trade		8.03	-	8.03
	Excise duty		-	68.92	68.92
	Employee benefits expense	2 & 9	11.57	0.59	12.16
	Finance costs	5 & 7	5.80	0.92	6.72
	Depreciation and amortisation expense	1	7.10	(0.13)	6.97
	Other expenses	1 & 3	55.82	0.10	55.92
	Total expenses		**636.67**	**70.40**	**707.07**
V	**Profit before tax (III - IV)**		**39.25**	**(0.58)**	**38.67**
VI	**Tax expense:**				
	(a) Current tax		12.75	-	12.75
	(a) Current tax of earlier year		(0.01)	-	(0.01)
	(c) Deferred tax charge/(credit)	8	(1.64)	(0.08)	(1.72)
	Total tax expense		**11.10**	**(0.08)**	**11.02**
VII	**Profit for the year (V-VI)**		**28.15**	**(0.50)**	**27.65**
VIII	**Other Comprehensive Income**				
	Items that will not be reclassified to profit and loss				
	Remeasurements of post employment benefit obligation	9	-	0.23	0.23
	Income tax relating to above item	8	-	(0.08)	(0.08)
	Other Comprehensive Income for the year		**-**	**0.15**	**0.15**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**28.15**	**(0.35)**	**27.80**

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

(Rupees in crore)

Particulars	Notes	Year ended March 31, 2017
Profit after tax as per previous GAAP		28.15
Adjustments		
Share based expense	2	(0.35)
Fair valuation of financial assets	3	0.02
Other GAAP adjustments	7	(0.02)
Tax effects of adjustments	8	-
Remeasurements of Post-employment benefit obligations (Net of Tax)	9	(0.15)
Total adjustments		**(0.50)**
Profit after tax as per Ind AS		**27.65**
Other comprehensive income (Net of Tax)	9	0.15
Total comprehensive income as per Ind AS		**27.80**

(e) Impact of Ind AS adoption on cash flow statement for the year ended March 31, 2017

(Rupees in crore)

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(17.32)	1.51	(15.81)
Net cash flow from investing activities	(12.49)	0.12	(12.37)
Net cash flow from financing activities	29.69	(1.63)	28.06
Net increase/(decrease) in cash and cash equivalents	**(0.12)**	**-**	**(0.12)**
Cash and cash equivalents as at April 1, 2016	0.17	-	0.17
Cash and cash equivalents as at March 31, 2017	0.05	-	0.05

As the presentation requirements under previous GAAP differ from Ind AS, the previous GAAP information has been regrouped for ease and facilitation of reconcilisation with Ind AS.

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Notes to the reconciliation

1 Under the previous GAAP, advance rentals paid for land lease were disclosed under property, plant and equipment and amortised to profit and loss over the operating lease period. Under Ind AS, all lease arrangements are classified as operating or finance lease based on transfer of risks and rewards and the period of use relative to the economic life. The effect of this change has resulted in reclassification of amounts from property, plant and equipment to other financial assets on transition date (April 1, 2016) and as at March 31, 2017. Further depreciation expenses for the year ended March 31, 2017 has been reclassified to rental expenses.

2 Under previous GAAP, excess, if any, of the closing market price on the day prior to the grant of the options under ESOS over the exercise price was amortized by the company on straight-line basis over the vesting period.

Under Ind AS, all the stock options granted to the employees are required to be measured at fair value at each reporting period. Accordingly, outstanding options as on the date of transition (granted but not vested) has been measured at fair value with corresponding impact to the equity.

3 Under previous GAAP, premium on forward contracts were amortised over the period of contracts on straight line basis. Further, mark-to-market (MTM) gain/losses were recognised on the basis of closing rate on the forward contract with similar maturity.

Under Ind AS, no premium expense on forward contract is recognised and MTM gains/losses are recognised on the basis of fair value of the similar forward contract of remaining tenure.

Accordingly, deferred premium on forward contracts outstanding on the date of transition has been derecognised with corresponding impact in retained earnings. Further, MTM difference between previous GAAP and Ind AS has been recognised with corresponding impact to retained earnings.

4 The Company has obtained EPCG (Export Promotion Capital Goods Scheme) licenses for importing the capital goods without payment of basic custom duty against submission of bonds. Under Ind AS, these grants are required to be capitalised in the property, plant & equipment with the corresponding deferred income liability in Balance Sheet. Property, plant & equipment are depreciated over the useful life of assets and deferred income liability is amortised over the useful life of asset.

5 In order to promote export, the Reserve Bank of India (RBI) has issued the scheme of Interest Subvention on the behalf of Government of India whereby the Company is entitled to reduced interest rate on its borrowings (by 3 % p.a.). Under Ind AS, interest saved under government grants is recognised as interest income and corresponding interest expense in finance costs.

6 Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS, the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of Statement of Standalone Profit & Loss as part of expense.

7 Other GAAP adjustments includes adjustment on account of financial assets and liabilities measured at amortised cost.

8 The various transitional adjustments have deferred tax implications which have been accounted for by the Company. Deferred tax adjustment have been recognised in relation to the underlying transaction either in retained earnings or other comprehensive income, on the date of transition.

9 Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP. Accordingly, gain/loss on remeasurements of post-employment benefit obligation has been reclassified to the Other Comprehensive Income for the year ended March 31, 2017.

For and on behalf of the Board of Directors

VINAY GUPTA
Managing Director
DIN : 00005149

SANJAY GUPTA
Director
DIN : 00233188

Place: Ghaziabad
Date : May 24, 2018

Deloitte Haskins & Sells LLP
Chartered Accountants

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