SHRI LAKSHMI METAL UDYOG LIMITED

AUDITED FINANCIAL STATEMENTS

MARCH 31, 2019

Deloitte Haskins & Sells LLP

Chartered Accountants
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DLF Cyber City Complex
DLF City Phase - II
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Haryana, India

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INDEPENDENT AUDITOR'S REPORT

To The Members of SHRI LAKSHMI METAL UDYOG LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SHRI LAKSHMI METAL UDYOG LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 significant accounting policies and other explanatory information.

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

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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 financial statements comply with the Ind AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

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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 the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no 32(a) of the 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 32(b)(2) of the 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 32(c) of the 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. 95540)

Place: Ghaziabad
Date: May 17, 2019
RT/AL/2019

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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 **SHRI LAKSHMI METAL UDYOG LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the 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.

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Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to 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, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

Deloitte Haskins & Sells LLP
Chartered Accountants

(RASHIM TANDON)
(Partner)
(Membership No. 95540)

Place: Ghaziabad
Date: May 17, 2019
RT/AL/2019

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 (Property, Plant and Equipment) :

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

(b) The Company has a program of verification of fixed assets to cover all the items once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, fixed assets were physically verified by the Management in previous year. 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 and based on examination of the registered sale deed provided to us, we report that, the title deeds comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title 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.

ii. As explained to us, the inventories (excluding goods in transit) were physically verified during the year by the Management at reasonable intervals and no material discrepancies was noticed on physical verification. Inventories in transit, were verified by the management based on subsequent delivery challans.

iii. According to the information and explanations given to us, the Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which

a. The terms and conditions of the grant of such loans are, in our opinion, *prima facie,* not prejudicial to the Company's interest.

b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts have been regular as per stipulations. Receipt of interest is outstanding as at year end.

c. There are no overdue amounts remaining outstanding as at year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as 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.

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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 is generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services and Cess with the appropriate authorities and there are no undisputed amounts payable in respect of these dues outstanding as at March 31, 2019 for a period of more than six months from the date they became payable. Also refer to the note 32(a)(3) to the financial statements regarding management assessment on certain matters relating to the provident fund. The operations of the Company didn't give rise to Excise Duty.

(b) Details of dues of Value Added Tax and Excise Duty which have not been deposited as on March 31, 2019 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) (In Rupees Crores)	Amount paid under protest (In Rupees Crores)
Karnataka Value Added Tax Act, 2003	Value Added Tax	Karnataka Appellate Tribunal, Bangalore	2009-10	0.08	0.08
Central Excise Act,1944	Excise Duty	CESTAT, Bangalore	2016-17	0.07	0.01
	Excise Duty	CESTAT, Bangalore	2017-18	0.05	#

: Amount deposited under protest : Rs. 36,063

We have been informed that there are no dues of Income-tax, Goods and Services Tax and Custom Duty which have not been deposited as on March 31, 2019 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 (ix) of the CARO 2016 Order is not applicable.

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Chartered Accountants

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. In our opinion and according to the information and explanation given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the 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 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 (xiv) of the 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)

Deloitte Haskins & Sells LLP
Chartered Accountants

(RASHIM TANDON)
(Partner)
(Membership No. 95540)

Place: Ghaziabad
Date: May 17, 2019
RT/AL/2019

SHRI LAKSHMI METAL UDYOG LIMITED
BALANCE SHEET AS AT MARCH 31, 2019

(Rupees in crore)

	Particulars	Notes	As at March 31, 2019	As at March 31, 2018
I.	**ASSETS**			
(1)	**Non-current assets**			
(a)	Property, plant and equipment	2	47.73	51.09
(b)	Capital work-in-progress		0.16	0.73
(c)	Financial assets			
	(i) Investment	3	48.21	-
	(ii) Other financial assets	4	18.72	0.69
(d)	Other non current assets	5	0.45	0.33
	Total non-current assets		**115.27**	**52.84**
(2)	**Current assets**			
(a)	Inventories	6	41.27	32.51
(b)	Financial assets			
	(i) Trade receivables	7	68.21	42.56
	(ii) Cash and cash equivalents	8	22.74	3.70
	(iii) Loans	9	0.28	0.08
	(iv) Other financial assets	10	0.95	19.04
(c)	Other current assets	11	1.80	2.69
	Total current assets		**135.25**	**100.58**
	Total Assets		**250.52**	**153.42**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity share capital	12(a)	5.90	5.90
(b)	Other equity	12(b)	116.56	120.96
	Total equity		**122.46**	**126.86**
	Liabilities			
(2)	**Non-current liabilities**			
(a)	Financial liabilities:			
	(i) Borrowings	13	-	1.80
(b)	Provisions	14	0.72	0.50
(c)	Deferred tax liabilities (net)	15	7.21	7.50
	Total non-current liabilities		**7.93**	**9.80**
(3)	**Current liabilities**			
(a)	Financial liabilties:			
	(i) Borrowings	16	16.33	0.17
	(ii) Trade payables	17		
	- total outstanding dues of micro and small enterprises		-	-
	- total outstanding dues other than above		60.71	6.26
	(iii) Other financial liabilities	18	1.13	2.43
(b)	Other current liabilities	19	41.78	2.36
(c)	Provisions	20	0.08	0.02
(d)	Current tax liabilities (net)	21	0.10	5.52
	Total current liabilities		**120.13**	**16.76**
	Total equity and liabilities		**250.52**	**153.42**

See accompanying notes to the financial statements 1-39

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Deloitte Haskins & Sells LLP
Chartered Accountants

Place: Ghaziabad
Date: May 17, 2019

For and on behalf of the Board of Directors of
SHRI LAKSHMI METAL UDYOG LIMITED

ROMI SEHGAL
Whole Time Director
DIN : 03320454

SANJAY GUPTA
Director
DIN : 00233188

SHIVAM MAHESHWARI
Company Secretary
ICSI Membership No. : A38467

SHRI LAKSHMI METAL UDYOG LTD.
DELHI NCR

Place: Ghaziabad
Date: May 17, 2019

SHRI LAKSHMI METAL UDYOG LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in crore)

	Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from operations	22	814.46	632.19
II	Other income	23	2.01	0.05
III	**Total income (I +II)**		**816.47**	**632.24**
IV	**Expenses**			
	(a) Cost of materials consumed	24	659.68	499.56
	(b) Purchase of stock-in-trade		70.82	6.97
	(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	25	(4.17)	(0.45)
	(d) Excise duty		-	18.68
	(e) Employee benefits expense	26	8.23	5.73
	(f) Finance costs	27	3.88	4.86
	(g) Depreciation expense	2	3.87	3.43
	(h) Other expenses	28	33.06	34.67
	Total expenses		**775.37**	**573.45**
V	**Profit before tax (III - IV)**		**41.10**	**58.79**
VI	**Tax expense:**			
	(a) Current tax		14.81	20.47
	(b) Current tax of earlier year	35	0.11	-
	(c) Deferred tax (credit) / charge	15	(0.28)	0.09
	Total tax expense	35	**14.64**	**20.56**
VII	**Profit for the year (V-VI)**		**26.46**	**38.23**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	(a) Equity instruments through other comprehensive income		8.90	-
	(b) Remeasurement of post employment benefit obligation		(0.04)	0.06
	(c) Income tax relating to (b) above		0.01	(0.02)
	Other comprehensive income for the year		**8.87**	**0.04**
IX	**Total comprehensive income for the year (VII+VIII)**		**35.33**	**38.27**
X	**Earnings per equity share of Rupees 10 each**			
	(a) Basic (in Rupees)	31	44.88	64.85
	(b) Diluted (in Rupees)	31	44.88	64.85

See accompanying notes to the financial statements 1-39

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Deloitte Haskins & Sells LLP
Chartered Accountants

Place: Ghaziabad
Date: May 17, 2019

For and on behalf of the Board of Directors of
SHRI LAKSHMI METAL UDYOG LIMITED

ROMI SEHGAL
Whole Time Director
DIN : 03320454

SANJAY GUPTA
Director
DIN : 00233188

SHIVAM MAHESHWARI
Company Secretary
ICSI Membership No. : A38467

Place: Ghaziabad
Date: May 17, 2019

SHRI LAKSHMI METAL UDYOG
DELHI NCR

SHRI LAKSHMI METAL UDYOG LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

a) Equity share capital

(Rupees in crore)

Particulars	**Amount**
Opening balance as at April 1, 2017	5.90
Changes during the year ended March, 2018	-
Balance as at March 31, 2018	**5.90**
Changes during the year ended March, 2019	-
Balance as at March 31, 2019	**5.90**

b) Other equity

(Rupees in crore)

Particulars	**Reserves and surplus**			**Items of other comprehensive income**	**Total**
	Securities premium	**General Reserve**	**Surplus in Statement of profit and loss**	**Equity instruments through other comprehensive income (see note 3)**	
Opening balance as at April 1, 2017	**7.40**	**2.85**	**106.55**	-	116.80
Profit for the year ended March 31, 2018	-	-	38.23	-	**38.23**
Other comprehensive income for the year, net of tax	-	-	0.04	-	**0.04**
Total comprehensive income for the year	-	-	**38.27**	-	**38.27**
Allocations/Appropriations:					
Final dividend	-	-	(28.30)	-	**(28.30)**
Dividend distribution tax	-	-	(5.81)	-	**(5.81)**
	-	-	**(34.11)**	-	**(34.11)**
Balance as at March 31, 2018	**7.40**	**2.85**	**110.71**	-	**120.96**
Profit for the year ended March 31, 2019	-	-	26.46	-	**26.46**
Other comprehensive income for the year, net of tax	-	-	(0.03)	8.90	**8.87**
Total comprehensive income for the year	-	-	**26.43**	**8.90**	**35.33**
Allocations/Appropriations					
Final dividend	-	-	(33.01)	-	**(33.01)**
Dividend distribution tax	-	-	(6.72)	-	**(6.72)**
	-	-	**(39.73)**	-	**(39.73)**
Balance as at March 31, 2019	**7.40**	**2.85**	**97.41**	**8.90**	**116.56**

See accompanying notes to the financial statements 1-39

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Deloitte Haskins & Sells LLP Chartered Accountants

Place: Ghaziabad
Date: May 17, 2019

For and on behalf of the Board of Directors of SHRI LAKSHMI METAL UDYOG LIMITED

ROMI SEHGAL
Whole Time Director
DIN : 03320454

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Director
DIN : 00233188

SHIVAM MAHESHWARI
Company Secretary
ICSI Membership No. : A38467

Place: Ghaziabad
Date: May 17, 2019

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

SHRI LAKSHMI METAL UDYOG LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash flow from operating activities		
Profit before tax	41.10	58.79
Adjustments for:		
Depreciation and amortisation expense	3.87	3.43
(Gain) / loss on sale of property, plant and equipment (net)	(0.18)	0.02
Finance costs	3.88	4.86
Share based expenses	0.12	0.40
Interest income on fixed deposits	(0.77)	(0.04)
Provision for slow moving inventory of spares & consumables	0.02	0.01
Operating profit before working capital changes	**48.04**	**67.47**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(8.77)	(4.87)
Trade receivables	(25.65)	40.44
Current financial assets	17.89	(9.47)
Non - Current financial assets	(0.03)	0.15
Other non current assets	(0.12)	0.28
Other current assets	0.89	(0.78)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	54.34	(15.36)
Other current liabilities	39.42	1.63
Other non current liabilities	-	-
Provision (current & non-current)	0.24	0.10
Cash generated from operations	126.25	79.59
Net income tax paid	(20.35)	(14.95)
Net cash flow from operating activities (A)	**105.90**	**64.64**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advances	(3.83)	6.13
Proceeds from sale of propery, plant and equipment	4.56	0.11
Advance towards purchase of equity shares	(18.00)	-
Purchase of equity shares of Apollo Tricoat Tubes Limited	(39.31)	-
Interest received		
- Others	0.77	0.04
Net cash flow (used in) / from investing activities (B)	**(55.81)**	**6.28**
C. Cash flow from financing activities		
Repayment of non-current borrowings	(4.20)	(2.40)
Proceeds from current borrowings	16.16	(25.84)
Finance costs paid	(3.29)	(4.88)
Dividends paid	(33.01)	(28.30)
Payment of dividend distribution tax	(6.72)	(5.81)
Net cash flow (used in) financing activities (C)	**(31.06)**	**(67.23)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	19.04	3.69
Cash and cash equivalents at the beginning of the year	3.70	0.01
Cash and cash equivalents at the end of the year	**22.74**	**3.70**
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Net Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements) included in note 8	**22.74**	**3.70**

See accompanying notes to the financial statements 1-39

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Deloitte Haskins & Sells LLP Chartered Accountants

Place: Ghaziabad
Date: May 17, 2019

For and on behalf of the Board of Directors of SHRI LAKSHMI METAL UDYOG LIMITED

ROMI SEHGAL
Whole Time Director
DIN : 03320454

SANJAY GUPTA
Director
DIN : 00233188

Shivam

SHIVAM MAHESHWARI
Company Secretary
ICSI Membership No. : A38467

Place: Ghaziabad
Date: May 17, 2019

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

1(i) Company background

Shri Lakshmi Metal Udyog Limited, the Company was incorporated on 25 April 1994. 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 and GP Coils. The Company has one manufacturing unit at Bengaluru, Karnataka.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorized for issue on May 17, 2019.

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.

(a) Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013 , the relevant provision of the Companies Act 2013 ("the Act")

(b) Basis of Preparation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

(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.

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

Deferred income tax assets and liabilities
Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful lives of Property, plant and equipment ('PPE')
The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans
The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Income Taxes
Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Consolidated Statement of Profit or Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

Fair value measurement of derivative and other financial instruments
The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

(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).

Chartered Accountants
SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(f) Revenue recognition

Effective April 1, 2018 the Company adopted Ind AS 115 'Revenue from contracts with Customers'. The revenue is recognised once the entity satisfied that performance obligation & control are transferred to the customers. The Company adopted Ind AS 115 using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. The effect of adoption of Ind AS 115 did not have any material impact on the financial statements of the Company.

(i) Sale of goods

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances. In previous year, revenue includes excise duty for the period April to June 17.

(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.

(g) Income tax

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.

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.

(h) 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. (see note 1(iii)(a))

(i) 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.

(j) 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.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

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SHRI LAKSHMI METAL UDYOG LTD.
DELHI NCR

(k) 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 indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Work in progress
Work in progress are valued at raw material cost plus appropriate share of labour and other overeheads.

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.

(l) 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.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

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.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

The Company has a policy of capitalizing insurance spares having value more than or equal to Rupees 0.01 crore.

Capital work-in-progress
Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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 10-20 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

(m) 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.

(n) 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.

(o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not 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 liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(p) 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.

Deloitte Haskins & Sells LLP
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SHRI LAKSHMI METAL UDYOG LTD.
DELHI NCR

(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.

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.

(q) 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.

(r) 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.

(s) 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.

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SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

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.

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.

The Company has equity investment in one entity which is not held for trading. The Company has elected the FVTOCI irrevocable option for this investment (see note 3). Fair value is determined in the manner described in note 36.

(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 37 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 analysed.

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.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

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.

(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.

(t) 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.

(u) 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.

(v) Segment information

The Company is engaged in the business of production of ERW steel tubes. As the Company's business activity primarily falls within a single business and geographical segment i.e manufacture of steel tubes, there are no disclosures required to be provided in terms of Ind AS 108 on 'Segment Reporting'.

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 116 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months. Lessees are required to initially recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. The lease liability is measured at the present value of the lease payments to be made over the lease term.

The new standard permit lessees to use either a full retrospective or a modified retrospective approach on transition for leases existing at the date of transition, with options to use certain transition reliefs.

Ind AS 116, was notified on March 30, 2019 by Ministry of Corporate Affairs and will be effective for periods beginning on or after April 1, 2019. This standard will replace the existing leases standard, Ind AS 17 Leases, and related interpretations. The Company is currently evaluating the impact that the adoption of this standard will have on its financial statements.

(b) Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)
The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

(c) Ind AS 19 Plan Amendment, Curtailment or Settlement : The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

(d) Ind AS 109 Prepayment Features with Negative Compensation : The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

(e) Ind AS 23 Borrowing Costs : The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect this amendment to have any impact on its financial statements.

(f) Ind AS 28 Long-term Interests in Associates and Joint Ventures : The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

(g) Ind AS 103 Business Combinations and Ind AS 111 Joint Arrangements : The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company does not expect this amendment to have any impact on its financial statements.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

2 Property, Plant and Equipment

(Rupees in crore)

	As at March 31, 2019	As at March 31, 2018
Carryings amounts of :		
Freehold land	7.90	7.90
Building	8.76	7.54
Plant and machinery	30.28	34.90
Office equipments	0.02	0.01
Vehicles	0.61	0.73
Furniture and fixtures	0.15	0.01
Computers	0.01	-
	47.73	51.09

	Freehold land	Building	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Computers	Total
Gross carrying value								
Opening Balance as at April 1, 2017	**7.90**	**6.95**	**39.63**	**0.03**	**0.19**	**0.02**	**0.01**	**54.73**
Additions	-	0.34	0.52	-	0.69	-	-	1.55
Sales during the year	-	-	(0.28)	-	-	-	-	(0.28)
Balance at March 31, 2018	**7.90**	**7.29**	**39.87**	**0.03**	**0.88**	**0.02**	**0.01**	**56.00**
Additions	-	1.60	3.18	0.01	-	0.15	0.01	4.95
Sales during the year	-	-	(6.80)	-	-	-	-	(6.80)
Balance at March 31, 2019	**7.90**	**8.89**	**36.25**	**0.04**	**0.88**	**0.17**	**0.02**	**54.15**
Accumulated depreciation								
Opening Balance as at April 1, 2017	-	(0.62)	2.18	0.01	0.04	0.01	0.01	1.63
Elimination on disposal of assets	-	-	(0.15)	-	-	-	-	(0.15)
Depreciation expense	-	0.37	2.94	0.01	0.11	-	-	3.43
Balance at March 31, 2018	-	**(0.25)**	**4.97**	**0.02**	**0.15**	**0.01**	**0.01**	**4.91**
Elimination on disposal of assets	-	-	(2.36)	-	-	-	-	(2.36)
Depreciation expense	-	0.38	3.36	-	0.12	0.01	-	3.87
Balance at March 31, 2019	-	**0.13**	**5.97**	**0.02**	**0.27**	**0.02**	**0.01**	**6.42**
Net carrying value								
Opening Balance as at April 1, 2017	**7.90**	**7.57**	**37.45**	**0.02**	**0.15**	**0.01**	-	**53.10**
Additions	-	0.34	0.52	-	0.69	-	-	1.55
Sales during the year	-	-	(0.13)	-	-	-	-	(0.13)
Depreciation expense	-	(0.37)	(2.94)	(0.01)	(0.11)	-	-	(3.43)
Balance at March 31, 2018	**7.90**	**7.54**	**34.90**	**0.01**	**0.73**	**0.01**	-	**51.09**
Additions	-	1.60	3.18	0.01	-	0.15	0.01	4.95
Sales during the year	-	-	(4.44)	-	-	-	-	(4.44)
Depreciation expense	-	(0.38)	(3.36)	-	(0.12)	(0.01)	-	(3.87)
Balance at March 31, 2019	**7.90**	**8.76**	**30.28**	**0.02**	**0.61**	**0.15**	**0.01**	**47.73**

Note :

(1) Property, plant and equipment as detailed in note 2 have been pledged as security for term loan taken as at March 31, 2019. See note 13 for loans taken against which these assets are pledged.

3 Investment (Non-current)

	Particulars	As at March 31, 2019	As at March 31, 2018
			(Rupees in crore)
(a)	**Investments in equity instruments carried at fair value through the other comprehensive income - (quoted, fully paid) :**		
(i)	2,861,208 (March 31, 2018: Nil) equity shares of Rupees 10 each fully paid up in Apollo Tricoat Tubes Limited - (see note below)	48.21	-
	Total	**48.21**	**-**

Note :

The Company hold 10.33 % (March 31, 2018 : Nil) equity shares of Apollo Tricoat Tubes Limited, a Company engaged in the business of manufacturing of steel pipes. Also see note 40.

In current year, the Board of Directors of APL Apollo Tubes Limited ('Holding Company') in their meeting held on October 18, 2018 considered and approved the acquisition / investment by Shri Lakshmi Metal Udyog Limited ('SLMUL'), by way of entering into a Share Purchase Agreement ('Agreement') for the acquisition of 8,030,030 Equity Shares and Options attached to 4,300,000 Warrants of Apollo Tricoat Tubes Limited ('Target Entity') which will together represent 40.43% of the fully diluted share capital of the Target Entity in terms of the provisions of Section 186 of the Companies Act, 2013 and relevant rules thereto.

Pursuant to the said Agreement, SLMUL made an open offer which got completed on February 01, 2019 and SLMUL became promoter of Target Entity in compliance with the provisions of Regulation 3(1) and Regulation 4 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. During the offer period, SLMUL acquired 1,325,000 Equity Shares from open market and 1,536,208 Equity Shares were tendered under open offer, both aggregating to 2,861,208 Equity Shares. These shares were acquired at a total cost of Rupees 39.91 crores. The amount of investment as at March 31, 2019 is recorded at fair value as non-current investment in the Statement of Assets & Liabilities and gain arising out of fair valuation of Rupees 8.90 crores is recorded in the other comprehensive income.

Subsequent to the year end, in accordance with the Agreement, SLMUL has paid the balance consideration to complete the total acquisition of 50.56 % shares in Apollo Tricoat Tubes Limited, which is subject to completion of requirements of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as applicable.

4 Other financial assets (Non-current)
(Unsecured, considered good)

	Particulars	As at March 31, 2019	As at March 31, 2018
			(Rupees in crore)
(a)	Security deposit	0.72	0.69
(b)	Advance against purchase of equity shares	18.00	-
	Total	**18.72**	**0.69**

5 Other non current assets
(Unsecured, considered good)

	Particulars	As at March 31, 2019	As at March 31, 2018
			(Rupees in crore)
(a)	Capital advances	0.36	0.23
(b)	Prepaid expenses	-	0.02
(c)	Payment under protest		
	(i) Excise	0.01	-
	(ii) Value added tax	0.08	0.08
	Total	**0.45**	**0.33**

6 Inventories

	Particulars	As at March 31, 2019	As at March 31, 2018
			(Rupees in crore)
(a)	Raw materials (at cost)	30.89	26.42
(b)	Work in progress (at cost)	3.35	-
(c)	Finished goods (including stock-in-transit) (at cost or net realisable value, whichever is lower)	5.21	4.38
(d)	Stores and spares (at cost)	1.03	0.91
(e)	Rejection and scrap (including stock-in-transit) (at cost or net realisable value, whichever is lower)	0.79	0.80
	Total	**41.27**	**32.51**

Notes :

(i) Cost of inventory recognised as expense during the year amounted to Rupees 733.87 crore (March 31, 2018 : Rupees 511.91 crore).

(ii)	**Details of stock-in-transit**		
	Finished goods	3.22	3.01
	Rejection and scrap	-	0.20

7 Trade receivables (Current)
(Unsecured)

	Particulars	As at March 31, 2019	As at March 31, 2018
			(Rupees in crore)
(a)	Considered good		
	(i) Related parties	0.15	-
	(ii) Other than related parties	68.06	42.56
	Total	**68.21**	**42.56**

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 10% of the total balance of trade receivables except as follows :-

Particulars	As at March 31, 2019
	(Rupees in crore)
Customer A	12.24
Customer B	9.25
	21.49
% of total trade receivables	31.51%

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SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

Particulars	(Rupees in crore) As at March 31, 2018
Customer A	8.72
Customer B	5.75
Customer C	5.65
Customer D	4.84
	24.96
% of total trade receivables	58.66%

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

(Rupees in crore)

Particulars	As at March 31, 2019		
	Gross credit risk	Allowance for credit losses	Net credit risk
Amounts not yet due	55.17	-	55.17
0-90 days overdue	11.48	-	11.48
91-180 days overdue	1.56	-	1.56
181-270 days overdue	-	-	-
271-365 days overdue	-	-	-
More than 365 days overdue	-	-	-
	68.21	-	68.21

(Rupees in crore)

Particulars	As at March 31, 2018		
	Gross credit risk	Allowance for credit losses	Net credit risk
Amounts not yet due	33.48	-	33.48
0-90 days overdue	9.08	-	9.08
91-180 days overdue	-	-	-
181-270 days overdue	-	-	-
271-365 days overdue	-	-	-
More than 365 days overdue	-	-	-
	42.56	-	42.56

(2) Ageing wise % of expected credit loss

(Rupees in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
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 %	100 %

8 Cash and cash equivalents

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Cash on hand	0.02	0.01
(b)	Balances with banks		
	- in current accounts	22.72	3.69
	Total	**22.74**	**3.70**

9 Loans (Current)
(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Loans to employees	0.01	0.08
(b)	Loans to director (see note below)	0.27	-
	Total	**0.28**	**0.08**

Note :

During the year, the Company has given a loan towards personal requirements amounting to Rupees 0.33 crore free of interest to one of its Directors. The Loan is repayable in installments of Rupees 1.5 lacs each. The maximum amount outstanding as at March 31, 2019 is Rupees 0.27 crore.

10 Other financial assets (Current)
(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Other claim receivable	0.01	0.96
(b)	Other advance	-	13.00
(c)	Value added tax (VAT) credit receivable	0.01	5.08
(d)	Interest accrued	0.93	-
	Total	**0.95**	**19.04**

11 Other current assets
(Unsecured, considered good)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Prepaid expenses	0.10	0.12
(b)	Balances with government authorities:		
	(i) Cenvat credit receivable	0.03	-
(c)	Advance to suppliers	1.67	2.57
	Total	**1.80**	**2.69**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(Rupees in crore, except otherwise stated)

	Particulars	As at March 31, 2019		As at March 31, 2018	
		Number of Shares	Amount	Number of Shares	Amount
12	**Equity**				
12(a)	**Equity share capital**				
(i)	**Authorised capital**				
	Equity shares of Rupees 10 each with voting rights	70,00,000	7.00	70,00,000	7.00
		70,00,000	**7.00**	**70,00,000**	**7.00**
(ii)	**Issued capital**				
	Equity shares of Rupees 10 each with voting rights	58,95,000	5.90	58,95,000	5.90
		58,95,000	**5.90**	**58,95,000**	**5.90**
(iii)	**Subscribed and fully paid up capital**				
	Equity shares of Rupees 10 each with voting rights	58,95,000	5.90	58,95,000	5.90
		58,95,000	**5.90**	**58,95,000**	**5.90**

(1) **Reconciliation of the number of shares and amount outstanding as at March 31, 2019 and March 31, 2018**

Particulars	Number of shares		Amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019 (Rupees in crore)	As at March 31, 2018 (Rupees in crore)
Equity share capital				
Outstanding at the beginning of the year	58,95,000	58,95,000	5.90	5.90
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**58,95,000**	**58,95,000**	**5.90**	**5.90**

(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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. 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 the holding Company :**

Particulars	Number of shares As at March 31, 2019	Number of shares As at March 31, 2018
APL Apollo Tubes Limited*	58,95,000	58,95,000

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

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Apollo Tubes Limited*	58,95,000	100%	58,95,000	100%

* Out of total 5,895,000 equity shares, 5,894,994 equity shares are held by APL Apollo Tubes Limited (the holding Company) and remaining 6 shares are held by Mr. Sanjay Gupta, Mr. Vinay Gupta, Mr. Sameer Gupta, Mrs. Neera Gupta, Mrs. Vandana Gupta & Mrs. Meenakshi Gupta (each holding 1 share) as nominee/representatives.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

12(b) Other equity

(Rupees in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Securities premium	7.40	7.40
General reserve	2.85	2.85
Surplus in Statement of profit and loss	97.41	110.71
Items of other comprehensive income	8.90	-
Total	**116.56**	**120.96**

		As at March 31, 2019 (Rupees in crore)	As at March 31, 2018 (Rupees in crore)
(1)	**Security premium**		
	Balance at the beginning of the year	7.40	7.40
	Add: Additions	-	-
	Balance at the end of the year	**7.40**	**7.40**
(2)	**General reserve**		
	Balance at the beginning of the year	2.85	2.85
	Add: Transferred from surplus in statement of profit and loss	-	-
	Balance at the end of the year	**2.85**	**2.85**
(3)	**Surplus in Statement of profit and loss**		
	Balance at the beginning of the year	110.71	106.55
	Add: Total comprehensive income for the year	26.43	38.27
	Less: Final dividend	(33.01)	(28.30)
	Less: Tax on proposed dividend	(6.72)	(5.81)
	Balance at the end of the year	**97.41**	**110.71**
(4)	**Items of other comprehensive income**		
	Balance at the beginning of the year	-	-
	Add: Equity instruments through other comprehensive income (see note 3)	8.90	-
	Balance at the end of the year	**8.90**	-
	Total	**116.56**	**120.96**

Nature and purpose of reserves :-

(i) Securities premium : Securities premium 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.

(iv) Items of other comprehensive income : It represents profits / (loss) of the Company which will not be reclassified to statement of profit or loss.

(v) The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

13 Borrowings (Non-current)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Term Loan:**		
	- From bank		
	(i) Secured (see note (i) below)	-	1.80
	Total	**-**	**1.80**

(i) Term loan from banks are secured as follows:	As at March 31, 2019		As at March 31, 2018	
	Non-current borrowings	Current Maturities of non-current borrowings	Non-current borrowings	Current Maturities of non-current borrowings
By First Pari Passu charge on property, plant and equipment, movable and immovable, present and future on Company's land and building situated at KIADB, Industrial area, Plot No-9 to 11, Balagaranahalli Village, Attibele, Bangalore and second pari passu charge on current assets of the Company (present and future). The loan is further guaranteed by personal guarantee of Directors of the Company i.e Mr. Sanjay Gupta, Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited, the holding Company. The loan outstanding as at balance sheet is repayable in 07 quarterly instalments commencing from May 2018 and ending in November 2019 of Rupees 6,000,000 each. Applicable rate of interest is in the range of 9.50% - 10.50%.	-	-	1.80	2.40

During the current year, loan has been fully repaid.

14 Provisions (Non-current)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Provision for compensated absences	0.22	0.12
(b)	Provision for gratuity (see note 33)	0.50	0.38
	Total	**0.72**	**0.50**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

15 Deffered Tax Liabilities (net)

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

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	**Deferred Tax Liabilities on account of :**		
	Property, plant and equipments	7.53	7.70
	Total deferred tax liabilities (A)	**7.53**	**7.70**
(ii)	**Deferred Tax Assets on account of :**		
	Provision for employee benefit expenses	0.29	0.18
	Financial Assets (Transaction cost on loans)	0.03	0.02
	Total deferred tax assets (B)	**0.32**	**0.20**
	Disclosed as Deferred Tax Liabilities (Net - A-B)	**7.21**	**7.50**

(b)

Movement in deferred tax liabilities / asset	As at March 31, 2017	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2018
Deferred Tax Liabilities (A)				
Property, plant and equipments	7.52	0.18	-	7.70
Total	**7.52**	**0.18**	**-**	**7.70**
Deferred Tax Assets (B)				
Provision for employee benefit expenses	0.16	0.04	(0.02)	0.18
Financial Assets (Transaction cost on loans)	(0.03)	0.05	-	0.02
Total	**0.13**	**0.09**	**(0.02)**	**0.20**
Deferred tax liabilities (Net - A-B)	**7.39**	**0.09**	**0.02**	**7.50**

Movement in deferred tax liabilities / asset	As at March 31, 2018	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2019
Deferred Tax Liabilities (A)				
Property, plant and equipments	7.70	(0.17)	-	7.53
Total	**7.70**	**(0.17)**	**-**	**7.53**
Deferred Tax Assets (B)				
Provision for employee benefit expenses	0.18	0.10	0.01	0.29
Financial Assets (Transaction cost on loans)	0.02	0.01	-	0.03
Total	**0.20**	**0.11**	**0.01**	**0.32**
Deferred tax liabilities (Net - A-B)	**7.50**	**(0.28)**	**(0.01)**	**7.21**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

16 Borrowings (Current)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Loan repayable on demand**		
	- From banks (secured)		
	(i) Cash credit (see note (i) below)	16.33	0.17
	Total	**16.33**	**0.17**

Nature of security:

(i) Cash credit from banks are secured by first pari passu charge on current assets and second charge on the property, plant and equipment, present and future, of the Company and further secured by second charge on Company's land and building situated at KIADB, Industrial area, Plot No-9 to 11, Balagaranahalli Village, Attibele, Bangalore. These credit facilities are further secured by personal guarantee of directors of the Company i.e. Mr. Sanjay Gupta and Mr. Vinay Gupta, these are further secured by corporate guarantee of APL Apollo Tubes Limited, the holding Company. Working capital facilities from HDFC Bank are secured by first pari passu charge on current assets of the Company and first pari passu charge on property, plant and equipment, present and future, on Company's land and building situated at KIADB, Industrial area, Plot No-9 to 11, Balagaranahalli Village, Attibele, Bangalore.

17 Trade payables (Current)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Outstanding dues to Micro and small enterprises	-	-
(b)	Outstanding dues of creditors other than micro enterprises and small enterprises	60.71	6.26
	Total	**60.71**	**6.26**

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, 2019	As at March 31, 2018
(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 bu 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 (Current)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Current maturities of non-current borrowings (see note 13)	-	2.40
(b)	Capital creditors	0.50	-
(c)	Interest accrued but not due on borrowings	0.63	0.03
	Total	**1.13**	**2.43**

19 Other current liabilities

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Statutory remittances	0.59	1.90
(b)	Advance from customers	0.10	0.20
(c)	Advance from related party	41.09	-
(d)	Corporate dividend tax payable	-	0.26
	Total	**41.78**	**2.36**

20 Provisions (Current)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Provision for compensated absences	0.07	0.01
(b)	Provision for gratuity (see note 33)	0.01	0.01
	Total	**0.08**	**0.02**

21 Current tax liabilties (net)

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Provision for tax (net of advance tax Rupees 61.34 crores, March 31, 2018 Rupees 66.90 crores)	0.10	5.52
		0.10	**5.52**

Deloitte Haskins & Sells LLP Chartered Accountants

Shri Lakshmi Metal Udyog Ltd. Delhi NCR

22 Revenue from operations

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a)	Sale of products (see note (i) & (ii) below)	796.09	617.87
(b)	Other operating revenue (see note (i) & (iii) below)	18.37	14.32
	Total	**814.46**	**632.19**

Notes :

(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 erstwhile '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, 2019 is not comparable with the year ended March 31, 2018. Following additional information is being provided to facilitate such comparison:

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(I)	Revenue from operations (Gross)	814.46	632.19
(II)	Excise duty	-	18.68
(III)	Revenue from operations (net of excise duty)(I-II)	814.46	613.52

(ii) **Reconciliation of revenue recognised with contract price :**

(Rupees in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contract price	806.60	623.74
Adjustments for:		
Discount & Incentives	(10.51)	(5.87)
Revenue from operations	**796.09**	**617.87**

(iii) **Other operating revenue comprises**

Sale of scrap	18.37	14.32
Total	**18.37**	**14.32**

23 Other income

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a)	Interest income on fixed deposit	0.77	0.04
(b)	Interest income on others	1.04	-
(c)	Other non-operating income	0.02	0.01
(d)	Profit on sale of property, plant and equipment (net)	0.18	-
	Total	**2.01**	**0.05**

24 Cost of material consumed

(Rupees in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Raw Material		
Inventories of raw material at the beginning of the year	26.42	21.88
Add: Purchases during the year	664.15	504.10
Less: Inventories of raw material as at the end of the year	30.89	26.42
Total	**659.68**	**499.56**

25 Change in Inventories

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Inventories at the end of the year:		
(a)	Finished goods	5.21	4.38
(b)	Work in progress	3.35	-
(c)	Rejection and scrap	0.79	0.80
		9.35	**5.18**
	Inventories at the beginning of the year:		
(a)	Finished goods	4.38	4.26
(b)	Rejection and scrap	0.80	0.47
		5.18	**4.73**
	Total	**(4.17)**	**(0.45)**

26 Employee benefits expense

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a)	Salaries and wages	7.36	6.51
(b)	Contribution to provident fund	0.35	0.33
(c)	Gratuity expense (see note 33)	0.12	0.09
(d)	Share based payment to employees (see note (30(b))	0.12	0.40
(e)	Staff welfare expenses	0.28	0.27
(f)	Allocation of common employee benefits expense (see note 30(a))	-	(1.87)
	Total	**8.23**	**5.73**

During the year, the Company recognised an amount of Rupees 1.45 crore (Year ended March 31, 2018 Rupees 2.09 crore) as remuneration to key managerial personnel. The details of such remuneration is as below :

(i) Short term employee benefits	1.31	2.09
(ii) Post employment benefits	0.07	-
(iii) Other long term employee benefits	0.07	-
	1.45	**2.09**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

27 Finance costs

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a)	Interest expense on:		
	(i) working capital facilities	2.78	3.62
	(ii) term loan	0.28	0.55
	(iii) delayed payment of income tax	0.28	0.42
(b)	Other borrowing cost	0.54	0.27
	Total	**3.88**	**4.86**

28 Other expenses

(Rupees in crore)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a)	Consumption of stores and spare parts	7.54	5.83
(b)	Furnace oil	4.96	3.84
(c)	Power and fuel	8.68	7.87
(d)	Security charges	0.15	0.12
(e)	Repair and maintenance:		
	(i) Building	0.09	-
	(ii) Plant and machinery	0.32	0.40
	(iii) Others	0.02	-
(f)	Rates and taxes	0.22	0.27
(g)	Derivatives measured at fair value through profit and loss account	1.55	1.45
(h)	Travelling and conveyance	0.10	0.08
(i)	Legal and professional charges (see note (i) below)	0.39	0.36
(j)	Loss on sale of property, plant and equipment (net)	-	0.02
(k)	Freight outward	3.77	10.68
(l)	Loss on foreign currency transactions (net)	(0.10)	-
(m)	Provision for slow moving inventory of spares & consumables	0.02	0.01
(n)	Sales promotion	0.19	-
(o)	Corporate Social Responsibility	0.45	-
(p)	Miscellaneous expenses	0.56	0.56
(q)	Allocation of common expenses (see note 30(a))	4.15	3.18
	Total	**33.06**	**34.67**

Note :-

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

(a) To statutory auditors		
For audit	0.15	0.15
For other services	0.02	0.01
Total	**0.17**	**0.16**
(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, 2019	Year ended March 31, 2018
Gross amount required to be spent by the Company during the year	1.14	0.89
Amount spent during the year on purposes other than construction / acquisition of any asset	0.45	-
Amount spent for acquisition / construction of assets	-	-

30 Allocation of common expenses

(a) During the year, the parent Company / Company has charged back the common expenses incurred by it on behalf of group companies on cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of respective companies, as per audited financial statements of immediate previous financial year.

(b) The employees of the Company covered under APL Apollo Tubes Limited (Holding Company) "Employee Stock Option Scheme 2015" (ESOS 2015) are granted an option to purchase shares of holding Company in accordance with the terms and conditions of the scheme as approved by shareholders from time to time. Each Option entitles the holder thereof to apply for and be allotted One Ordinary Shares of holding Company of Rupees 10.00 each upon payment of the exercise price during the exercise period.

The Options have been granted at the 'market price' as defined from time to time under the erstwhile Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The fair value of the options granted is determined using the Black Scholes Option Pricing model at the grant date.

The scheme has been recognized as cash settled share based payment scheme in accordance with Ind AS 102 - Share Based Payment. The fair value of options granted is recognized as employee benefits expense, net of reimbursements, if any. The total cost recognized during the year ended March 31, 2019 amounted to Rupees 0.12 crore (March 31, 2018 : Rupees 0.40 crore). The Company consider these amounts as not material and accordingly has not provided for the disclosures.

Deloitte Haskins & Sells LLP Chartered Accountants

Shri Lakshmi Metal Udyog Ltd. Delhi NCR

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.

(Rupees in crore, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year attributable to the equity holders of the Company used in calculating basic and diluted earnings per share	26.46	38.23
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	58,95,000	58,95,000
(a) Basic earnings per share in Rupees	44.88	64.85
(b) Diluted earnings per share in Rupees	44.88	64.85

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

(Rupees in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	**Contingent liabilities (for pending litigations)**		
(1)	Disputed claims/levies in respect of sales tax:		
	- Reversal of input tax credit	0.16	0.16
(2)	Disputed claims/levies in respect of excise duty :		
	- Demand on clearance of goods	0.13	-
(3)	Contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952 (see note (i) below)	-	-
	Total	**0.29**	**0.16**

(i) Based upon the legal opinion obtained by the management, there are various interpretation issues and thus management is in the process of evaluating the impact of the recent Supreme Court Judgement in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company, if any, can not be ascertained.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially effect on its financial statements.

(b) Commitments

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

	As at March 31, 2019	As at March 31, 2018
- Property, plant and equipment (net of capital advance)	0.02	0.64

(2) The Company has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services. 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.

33 Employee benefits obligations

(Rupees in crore)

Particulars	As at March 31, 2019		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.01	0.50	0.51
Total employee benefit obligations	**0.01**	**0.50**	**0.51**

(Rupees in crore)

Particulars	As at March 31, 2018		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.01	0.38	0.39
Total employee benefit obligations	**0.01**	**0.38**	**0.39**

(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 crores. Vesting occurs upon completion of 5 years of service.

(b) Defined contribution plans
The Company makes Provident Fund 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 0.35 crores (Year ended March 31, 2018 Rupees 0.33 crores) for Provident Fund 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 constructive nor any constructive obligation.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG DELHI NCR

(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
Opening balance as at April 1, 2017	0.38
Current service cost	0.06
Interest expense/(income)	0.03
Total amount recognised in profit or loss	**0.09**
Remeasurements	
effect of change in financial assumptions	(0.04)
effect of experience adjustments	(0.03)
Total amount recognised in other comprehensive income	**(0.07)**
Employer contributions : Benefit payments	(0.01)
Balance as at March 31, 2018	**0.39**
Balance as at March 31, 2018	**0.39**
Current service cost	0.08
Interest expense/(income)	0.04
Total amount recognised in profit or loss	**0.12**
Remeasurements	
Loss due to experience	0.04
Loss due to change in financial assumptions	0.00
Total amount recognised in other comprehensive income	**0.04**
Employer contributions : Benefit payments	(0.04)
Balance as at March 31, 2019	**0.51**

(d) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	7.82%	7.86%
Salary growth rate	8.00%	8.00%
Expected Return on Assets	-	-
Retirement age	60 Years	60 Years
Mortality	Indian Assured Lives Mortality 2006-08	Indian Assured Lives Mortality 2006-08
Attrition Rate		
18 to 30 years	3.00%	3.00%
30 to 45 years	2.00%	2.00%
Above 45 years	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:

(Rupees in crore)

Particulars			Increase by 1% Year ended March 31, 2019	Year ended March 31, 2018
Gratuity				
Discount rate (increase by 1%)			(0.06)	(0.05)
Salary growth rate (increase by 1%)			0.08	0.07

(Rupees in crore)

Particulars			Year ended March 31, 2019	Year ended March 31, 2018
Gratuity				
Discount rate (decrease by 1%)			0.08	0.07
Salary growth rate (decrease by 1%)			(0.07)	(0.06)

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.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(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 17.82 years in case of Gratuity. The expected maturity analysis of undiscounted gratuity is as follows:

(Rupees in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Less than a year	0.01	0.01
Between 1 - 1 years	0.01	0.01
Between 2 - 3 years	0.01	0.02
Between 3 - 4 years	0.02	0.01
Between 4 - 5 years	0.09	0.02
Beyond 5 years	0.35	0.34
Total	**0.49**	**0.41**

34 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	Apollo Metalex Private Limited Blue Ocean Projects Private Limited
(iii) Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Sanjay Gupta (Director) Mr. Vinay Gupta (Director) Mr. Rahul Gupta (Son of Mr. Sanjay Gupta) Mr. Sharad Mahendra (Whole Time Director) (Cease to be director w.e.f. January 23, 2018) Mr. Romi Sehgal (Whole Time Director) (w.e.f July 1, 2018)
(iv) Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	Apollo Tricoat Tubes Limited (w.e.f. March 15, 2018) (Erstwhile Best Steel Logistics Limited) APL Infrastructure Private Limited Apollo Pipes Limited

(b) Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019:

(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Enterprises significantly influenced by KMP and their relatives	Key Managerial Personnel and their Relatives	Total
Purchase of stock-in-trade					
APL Apollo Tubes Limited	2.13	-	-	-	2.13
	(2.05)	(-)	(-)	(-)	(2.05)
Apollo Metalex Private Limited	-	0.23	-	-	0.23
	(-)	(0.25)	(-)	(-)	(0.25)
	2.13	**0.23**	**-**	**-**	**2.36**
	(2.05)	**(0.25)**	**(-)**	**(-)**	**(2.30)**
Purchase of raw material					
APL Apollo Tubes Limited	32.60	-	-	-	32.60
	(43.09)	(-)	(-)	(-)	(43.09)
	32.60	**-**	**-**	**-**	**32.60**
	(43.09)	**(-)**	**(-)**	**(-)**	**(43.09)**
Sale of goods					
APL Apollo Tubes Limited	314.30	-	-	-	314.30
	(202.14)	(-)	(-)	(-)	(202.14)
Apollo Tricoat Tubes Limited	-	-	7.23	-	7.23
	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	0.01	-	-	0.01
	(-)	(46.88)	(-)	(-)	(46.88)
	314.30	**0.01**	**7.23**	**-**	**321.54**
	(202.14)	**(46.88)**	**(-)**	**(-)**	**(249.02)**
Purchase of property, plant and equipment					
APL Apollo Tubes Limited	0.07	-	-	-	0.07
	(0.21)	(-)	(-)	(-)	(0.21)
Apollo Metalex Private Limited	-	0.04	-	-	0.04
	(-)	(-)	(-)	(-)	-
	0.07	**0.04**	**-**	**-**	**0.11**
	(0.21)	**(-)**	**(-)**	**(-)**	**(0.21)**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Enterprises significantly influenced by KMP and their relatives	Key Managerial Personnel and their Relatives	Total
Sale of property, plant and equipment					
APL Apollo Tubes Limited	0.02	-	-	-	0.02
	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	4.63	-	4.63
	(-)	(-)	(-)	(-)	(-)
	0.02	**-**	**4.63**	**-**	**4.65**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Commission paid					
APL Apollo Tubes Limited	-	-	-	-	-
	(0.25)	(-)	(-)	(-)	(0.25)
	-	**-**	**-**	**-**	**-**
	(0.25)	**(-)**	**(-)**	**(-)**	**(0.25)**
Sale of scrap (other operating income)					
APL Apollo Tubes Limited	4.39	-	-	-	4.39
	(3.44)	(-)	(-)	(-)	(3.44)
	4.39	**-**	**-**	**-**	**4.39**
	(3.44)	**(-)**	**(-)**	**(-)**	**(3.44)**
Purchase of store and spares					
APL Apollo Tubes Limited	0.07	-	-	-	0.07
	(-)	(-)	(-)	(-)	(-)
	0.07	**-**	**-**	**-**	**0.07**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Allocation of common expense					
APL Apollo Tubes Limited	4.15	-	-	-	4.15
	(3.18)	(-)	(-)	(-)	(3.18)
	4.15	**-**	**-**	**-**	**4.15**
	(3.18)	**(-)**	**(-)**	**(-)**	**(3.18)**
Allocation of share based expense					
APL Apollo Tubes Limited	0.12	-	-	-	0.12
	(0.40)	(-)	(-)	(-)	(0.40)
	0.12	**-**	**-**	**-**	**0.12**
	(0.40)	**(-)**	**(-)**	**(-)**	**(0.40)**
Allocation of employee benefit expense					
APL Apollo Tubes Limited	-	-	-	-	-
	(1.57)	(-)	(-)	(-)	(1.57)
Apollo Metalex Private Limited	-	-	-	-	-
	(-)	(0.30)	(-)	(-)	(0.30)
	-	**-**	**-**	**-**	**-**
	(1.57)	**(0.30)**	**(-)**	**(-)**	**(1.87)**
Salary paid					
Mr. Romi Sehgal	-	-	-	1.45	1.45
	(-)	(-)	(-)	(-)	(-)
Mr. Sharad Mahendra	-	-	-	-	-
	(-)	(-)	(-)	(2.09)	(2.09)
	-	**-**	**-**	**1.45**	**1.45**
	(-)	**(-)**	**(-)**	**(2.09)**	**(2.09)**
Interest income					
Apollo Tricoat Tubes Limited	-	-	1.04	-	1.04
	(-)	(-)	(-)	(-)	(-)
	-	**-**	**1.04**	**-**	**1.04**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Interest expense					
APL Apollo Tubes Limited	0.68	-	-	-	0.68
	(-)	(-)	(-)	(-)	(-)
	0.68	**-**	**-**	**-**	**0.68**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Dividend paid					
APL Apollo Tubes Limited	33.01	-	-	-	33.01
	(28.30)	(-)	(-)	(-)	(28.30)
	33.01	**-**	**-**	**-**	**33.01**
	(28.30)	**(-)**	**(-)**	**(-)**	**(28.30)**
Payment for purchase of shares warrant					
Mr. Rahul Gupta	-	-	-	18.00	18.00
	(-)	(-)	(-)	(-)	(-)
	-	**-**	**-**	**18.00**	**18.00**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Enterprises significantly influenced by KMP and their relatives	Key Managerial Personnel and their Relatives	Total
Advance received from related party					
APL Apollo Tubes Limited	160.00	-	-	-	160.00
	(-)	(-)	(-)	(-)	(-)
	160.00	-	-	-	**160.00**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Advance paid back to related party					
APL Apollo Tubes Limited	118.91	-	-	-	118.91
	(-)	(-)	(-)	(-)	(-)
	118.91	-	-	-	**118.91**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Loan given to related party					
Mr. Romi Sehgal	-	-	-	0.33	0.33
	(-)	(-)	(-)	(-)	-
Apollo Tricoat Tubes Limited	-	-	35.52	-	35.52
	(-)	(-)	(-)	(-)	(-)
	-	-	**35.52**	**0.33**	**35.85**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Loan received back from related party					
Mr. Romi Sehgal	-	-	-	0.06	0.06
	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	35.52	-	35.52
	(-)	(-)	(-)	(-)	(-)
	-	-	**35.52**	**0.06**	**35.58**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Balances outstanding at the end of the year					
Trade receivables					
APL Apollo Tubes Limited	-	-	-	-	-
	(0.80)	(-)	(-)	(-)	(0.80)
Apollo Metalex Private Limited	-	0.15	-	-	0.15
	(-)	(0.15)	(-)	(-)	(0.15)
	-	**0.15**	-	-	**0.15**
	(0.80)	**(0.15)**	**(-)**	**(-)**	**(0.95)**
Loan to director					
Mr. Romi Sehgal	-	-	-	0.27	0.27
	(-)	(-)	(-)	(-)	(-)
	-	-	-	**0.27**	**0.27**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Advance against purchase of equity shares					
Mr. Rahul Gupta	-	-	-	18.00	18.00
	(-)	(-)	(-)	(-)	(-)
	-	-	-	**18.00**	**18.00**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Trade payable					
Mr. Romi Sehgal	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)
	-	-	-	**0.02**	**0.02**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Expenses payable					
APL Apollo Tubes Limited	1.63	-	-	-	1.63
	(1.03)	(-)	(-)	(-)	(1.03)
	1.63	-	-	-	**1.63**
	(1.03)	**(-)**	**(-)**	**(-)**	**(1.03)**
Advance payable					
APL Apollo Tubes Limited	41.09	-	-	-	41.09
	(-)	(-)	(-)	(-)	(-)
	41.09	-	-	-	**41.09**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Interest payable					
APL Apollo Tubes Limited	0.68	-	-	-	0.68
	(-)	(-)	(-)	(-)	(-)
	0.68	-	-	-	**0.68**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Interest receivable					
Apollo Tricoat Tubes Limited	-	-	1.04	-	1.04
	(-)	(-)	(-)	(-)	(-)
	-	-	**1.04**	-	**1.04**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**

Notes :

(i) 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 13 and 16 for credit facilities from bank outstanding as at March 31, 2019 Rupees 16.33 crore (March 31, 2018 Rupees 4.37 crore).

(ii) 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 13 and 16).

(iii) Amount of expense of gratuity and compensated absences is taken on actuarial basis.

(iv) Figures in bracket relates to previous year ended March 31, 2018.

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

35 Income tax expense

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

(Rupees in crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax as per statement of profit and loss	41.10	58.79
Income-tax expenses calculated as per tax rates of Income tax act of 34.944% (March 31, 2018 : 34.608%)	14.36	20.34
(i) Income exempt from tax / items not deductible	0.17	0.15
(ii) Tax related to previous years	0.11	-
(iii) Tax on income at different rates	-	0.07
Tax expense as reported	**14.64**	**20.56**

36 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, 2019 and March 31, 2018.

(Rupees in crore)

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets - Non Current						
Investments	-	48.21	-	-	-	-
Security deposit	-	-	0.72	-	-	0.69
Advance against purchase of equity shares	-	-	18.00	-	-	-
Financial assets - Current						
Loans to employees	-	-	0.01	-	-	0.08
Loans to directors	-	-	0.27	-	-	-
Trade receivables	-	-	68.21	-	-	42.56
Cash and cash equivalents	-	-	0.02	-	-	0.01
Balances with banks	-	-	22.72	-	-	3.69
Other claim receivable	-	-	0.01	-	-	0.96
Other advance	-	-	-	-	-	13.00
Interest accrued	-	-	0.93	-	-	-
VAT credit receivable	-	-	0.01	-	-	5.08
Total financial assets	-	48.21	110.90	-	-	66.07
Financial liabilities - Non Current						
Borrowings	-	-	-	-	-	1.80
Financial liabilities -Current						
Borrowings	-	-	16.33	-	-	2.57
Capital creditors	-	-	0.50	-	-	-
Trade payable	-	-	60.71	-	-	6.26
Interest accrued but not due on borrowings	-	-	0.63	-	-	0.03
Total financial liabilities	-	-	78.17	-	-	10.66

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

Particulars	As at March 31, 2019			As at March 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets - Non Current						
Investments	48.21	-	-	-	-	-
Total financial assets	48.21	-	-	-	-	-

Fair value of investment is determined by reference to quoted market price.

(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.

37 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.

(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 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.

Deloitte Haskins & Sells LLP Chartered Accountants

Shri Lakshmi Metal Udyog Ltd. Delhi NCR

Details on derivative instruments and unhedged foreign currency exposures

(1) 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, 2019	As at March 31, 2018
Advance paid to vendors:		
USD	-	17,24,000
Equivalent amount in Rupees in crore	-	11.21
EURO	-	2,20,000
Equivalent amount in Rupees in crore	-	1.77

(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 with a mix of fixed and floating rates of interest. 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, 2019	As at March 31, 2018
Variable rate borrowings	16.33	0.17
Fixed rate borrowings	-	4.20
Total borrowings	**16.33**	**4.37**

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 31,2019		
Bank overdrafts, bank loans, Cash Credit	16.33	100%
As at March 31,2018		
Bank overdrafts, bank loans, Cash Credit	0.17	4%

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, 2019	Year ended March 31, 2018
Interest rates – increase by 50 basis points (50 bps)	(0.05)	-
Interest rates – decrease by 50 basis points (50 bps)	0.05	-

(b) Credit risk

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

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

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, the 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.

(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:

(Rupees in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Floating rate	73.67	102.83
Nature of facility	Working Capital	Working Capital
	73.67	**102.83**

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(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)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2019				
Borrowings	16.33	-	-	16.33
Capital creditors	0.50	-	-	0.50
Trade payable	60.71	-	-	60.71
Interest accrued but not due on borrowings	0.63	-	-	0.63
Total non-derivative liabilities	**78.17**	-	-	**78.17**
Non-derivatives				
March 31, 2018				
Borrowings	2.57	1.80	-	4.37
Trade payable	6.26	-	-	6.26
Interest accrued but not due on borrowings	0.03	-	-	0.03
Total non-derivative liabilities	**8.86**	**1.80**	-	**10.66**

38 Reconciliation of liabilities arising from financing activities

(Rupees in crore)

Particulars	Opening balance as at April 1, 2017	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2018
Non-current borrowings	4.20	(2.40)	-	1.80
Current borrowings	26.01	(25.84)	-	0.17
Current maturities of non-current borrowings	2.40	-	-	2.40
Total liabilities from financing activities	**32.61**	**(28.24)**	-	**4.37**

(Rupees in crore)

Particulars	As at March 31, 2018	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2019
Non-current borrowings	1.80	(1.80)	-	-
Current borrowings	0.17	16.16	-	16.33
Current maturities of non-current borrowings	2.40	(2.40)	-	-
Total liabilities from financing activities	**4.37**	**11.96**	-	**16.33**

39 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, 2019	As at March 31, 2018
Non current borrowings	-	1.80
Current maturities of long term debt	-	2.40
Current borrowings	16.33	0.17
Less: Cash and cash equivalents	(22.74)	(3.70)
Total Debts	-	**0.67**
Total equity	**122.46**	**126.86**
Gearing Ratio	-	**0.01**

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

Deloitte Haskins & Sells LLP Chartered Accountants

SHRI LAKSHMI METAL UDYOG LTD. DELHI NCR

(b) Dividends

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Final dividend for the year ended March 31, 2019 - Rupees Nil per share, March 31, 2018 - Rupees 52 per share) (excluding dividend distribution tax)	-	30.65
Dividends not recognised at the end of the reporting period	-	30.65
Dividend distribution tax	-	6.24

The Board of Directors did not recommend any dividend in the current year.

For and on behalf of the Board of Directors of
SHRI LAKSHMI METAL UDYOG LIMITED

ROMI SEHGAL
Whole Time Director
DIN : 03320454

SANJAY GUPTA
Director
DIN : 00233188

SHIVAM MAHESHWARI
Company Secretary
ICSI Membership No. : A38467

Place: Ghaziabad
Date: May 17, 2019

Deloitte Haskins & Sells LLP
Chartered Accountants

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