

Independent Auditor's Report

**To the Members of
Klasspack Private Limited**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

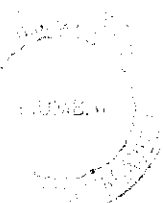
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income,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

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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

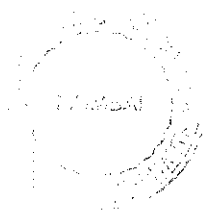
Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including 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 Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (a) The Company does not have any pending litigations as at 31st March 2018, which would impact its financial position.
- (b) The Company does not have long term contracts including derivative contracts for which there were any for material foreseeable losses
- (c) There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company;
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in "**Annexure B**" hereto, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W


Gyandeo Chaturvedi
Partner
Membership No. 46806



Place: Mumbai
Date: 10th May, 2018

"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Klasspack Private Limited on the Financial Statements for the year ended 31st March, 2018)

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 **Klasspack Private Limited ("the Company")** as of 31st March, 2018 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 (the "Guidance Note") 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 Act.

Auditor's 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 and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



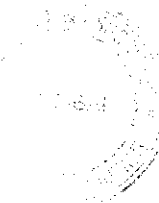
Opinion

In our opinion, to the best of our information and according to the explanations to us, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W



Gyandeo Chaturvedi
Partner
Membership No. 46806



Place: Mumbai
Date: 10th May, 2018

"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Klasspack Private Limited on the Financial Statements for the year ended 31st March, 2018)

i. In respect of its fixed assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the Company has physically verified assets, in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- c. According to the information and explanations given to us and on the basis of our examination, the title deeds of immovable properties are held in the name of the Company.

ii. In respect of its inventories:

As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company, and the same have been properly dealt with.

- iii. During the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of the clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. The Company has not given any loan, made investments and provided guarantees and securities during the year. Therefore, the provisions of the clause (iv) of paragraph 3 of the Order are not applicable to the Company.



- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of activities carried on by the Company. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income tax, Sales tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service tax, Cess and any other statutory dues with the appropriate authorities, as applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
 - b. According to information and explanations given to us there are no dues of Income tax, Sales tax, Service tax, Customs duty, Excise duty, Value Added tax and Goods and Service tax, as applicable, which have not been deposited on account of any dispute.
- viii. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that as on 31st March, 2018 the Company has not defaulted in repayment of term loan to banks. The Company does not have any borrowings from financial institutions, government and debenture holders.
- ix. According to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments). The term loans raised during the year have, prima facie, been applied for the purpose for which they are raised.
- x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and on the basis of information and explanations given by the management, no fraud by the Company or 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 explanations given to us, the Company has paid or provided managerial remuneration in accordance with the provisions of requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements etc. as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not raised any money by preferential allotment or private placement of share or debentures. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him, Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W


Gyandeo Chaturvedi
Partner
Membership No. 46806

Place: Mumbai
Date: 10th May, 2018

KLASSPACK PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

(Rs. in lacs)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	5	3,161.71	3,311.00
(b) Capital Work-in-progress	5	49.75	55.85
(c) Other Intangible Assets	6	0.81	-
(d) Intangible Assets under Development	6	-	0.86
(e) Financial Assets			
(i) Investments	7	1.51	1.63
(ii) Others	8	20.94	13.57
(f) Deferred Tax Assets (net)	9	199.58	267.72
(g) Non-current Tax Assets (net)		6.29	-
(h) Other Non-current Assets	10	85.84	11.08
		3,526.43	3,661.71
2 Current Assets			
(a) Inventories	11	397.50	127.68
(b) Financial Assets			
(i) Trade Receivables	12	1,227.29	740.74
(ii) Cash and cash equivalents	13	4.72	2.82
(iii) Bank Balances other than (ii) above	14	0.09	0.31
(iv) Loans	15	1.30	0.82
(v) Others	16	37.25	65.74
(c) Current Tax Assets (net)		-	3.10
(d) Other current assets	17	43.84	83.81
		1,711.99	1,025.02
TOTAL ASSETS		5,238.42	4,686.73
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	720.04	720.04
(b) Other Equity	19	2,372.07	2,394.04
		3,092.11	3,114.08
LIABILITIES			
1 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	179.70	188.27
(b) Provisions	21	183.16	170.29
		362.86	358.56
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	457.12	330.17
(ii) Trade Payables	23	923.57	439.80
(iii) Other Financial Liabilities	24	310.10	375.33
(b) Other Current Liabilities	25	59.87	41.08
(c) Provisions	26	32.79	27.71
		1,783.45	1,214.09
TOTAL EQUITY AND LIABILITIES		5,238.42	4,686.73
Significant accounting policies and notes to Financial Statements	1 to 46		

As per our report of even date

For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES

Chartered Accountants

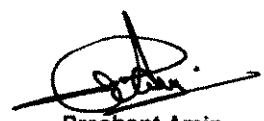
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Gyandeo Chaturvedi
 Partner
 Membership No. 46806



Place : Mumbai
 Date : 10.05.2018


Shreevar Kheruka
 Director
 (DIN 01802416)


Prashant Amin
 Managing Director
 (DIN 00626079)


Vidhi Jalan
 Company Secretary
 (Membership No. A46257)

KLASSPACK PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	(Rs. in lacs)	
		For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
I. Revenue from Operations	27	4,045.88	3,400.84
Other Income	28	22.51	91.57
Total Income (I)		4,068.39	3,492.41
II. Expenses:			
Cost of Raw Materials Consumed		1,726.95	1,380.57
Changes in Inventories of Work-in-Progress and Finished goods	29	(123.50)	(25.83)
Excise Duty Expenses		86.64	343.34
Employee Benefits Expense	30	902.15	905.19
Finance Costs	31	79.14	182.84
Depreciation and Amortisation Expense	32	342.48	125.20
Loss on sale of Property, Plant and Equipment		2.06	902.00
Other Expenses	33	1,032.01	734.38
Total Expenses (II)		4,047.93	4,547.69
III. Profit/(Loss) Before Tax (I - II)		20.46	(1,055.28)
IV. Tax Expense:			
Deferred Tax Expenses / (Credit)	9	60.20	(3.68)
V. Profit/(Loss) for the year (III - IV)		(39.74)	(1,051.60)
VI. Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gains / (losses) on Defined Benefit Plans		25.71	(6.60)
Income Tax effect on above		(7.94)	2.04
Total Other Comprehensive Income		17.77	(4.56)
VII. Total Comprehensive Income for the year (V + VI)		(21.97)	(1,056.16)
VIII. Earnings per Equity Share of Rs.100 each (in Rs.)	34		
Basic		(5.52)	(174.65)
Diluted		(5.52)	(174.65)
Significant accounting policies and notes to Financial Statements	1 to 46		

As per our report of even date

For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES

Chartered Accountants

(Firm Registration No. 107783W)

Gyandeo Chaturvedi
Gyandeo Chaturvedi
Partner
Membership No. 46806


Place : Mumbai
Date : 10.05.2018

Shreevar Kheruka
Shreevar Kheruka
Director
(DIN 01802416)

Prashant Amin
Prashant Amin
Managing Director
(DIN 00626079)

Vidhi Jalan
Vidhi Jalan
Company Secretary
(Membership No. A46257)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax as per Statement of Profit and Loss	20.46	(1,055.28)
Adjusted for :		
Depreciation and Amortisation Expense	342.48	125.20
Loss/(Gain) on Foreign Currency Transactions (net)	19.50	(7.02)
Gain on Sale of Current Investments	-	(28.00)
Loss on Financial Instruments measured at fair value through profit and loss	0.12	-
Loss on sale of Property, Plant and Equipment (net)	2.06	902.00
Sundry balance written off / (back) (net)	(17.70)	2.40
Provision for Doubtful Loans and Advances	-	0.97
Finance Cost	66.25	182.84
Share Based Payment Expenses	7.12	-
Dividend Income	-	(0.16)
Interest Income	(2.65)	(2.31)
	<u>417.18</u>	<u>1,175.92</u>
Operating Profit before Working Capital Changes	437.64	120.64
Adjusted for :		
Trade and Other Receivables	(468.30)	(290.94)
Inventories	(269.82)	(29.82)
Trade and Other Payables	545.16	(57.36)
Cash flow from / (used in) Operations	244.68	(257.48)
Direct taxes paid	(3.19)	(1.90)
Net Cash Flow from / (used in) Operating Activities	241.49	(259.38)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(264.03)	(511.54)
Sale of Property, Plant and Equipment	0.18	2.40
Purchase of Investment	-	(1,300.00)
Sale of Investment	-	1,328.00
Maturity of Keyman Insurance Policy	49.89	-
Fixed Deposit with Bank having maturity of more than three months(Placed)	-	(30.00)
Fixed Deposit with Bank having maturity of more than three months(Matured)	-	45.16
Movements in Loan	-	1.88
Dividend Income	-	0.16
Interest Income	0.88	2.34
Net Cash Flow (used in) Investing Activities	(213.08)	(461.60)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	2,249.98
Proceeds from Non-current Borrowings	150.00	-
Repayment of Non-current Borrowings	(207.84)	(854.08)
Movements in Current Borrowings	108.10	(493.03)
Movements in Margin Money (net)	0.22	-
Finance Cost Paid	(76.99)	(185.69)
Net Cash Flow from / (used in) Financing Activities	(26.51)	717.18
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	1.90	(3.80)
Opening Balance of Cash and Cash Equivalents	2.82	6.62
Closing Balance of Cash and Cash Equivalents (Refer Note 13.1)	4.72	2.82

Notes :

1 Changes in liabilities arising from financing activities on account of Non-current and Current Borrowings:		(Rs in lacs)
Particulars	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Opening balance of liabilities arising from financing activities	718.59	2,072.03
a) Changes from financing cash flows	50.26	(1,347.11)
b) the effects of changes in foreign exchange rates	18.85	(6.33)
Closing balance of liabilities arising from financing activities	787.70	718.59

2 Bracket indicates cash outflow.

3 Previous Year figures have been regrouped and reclassified wherever necessary.

4 The above statement cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flow".

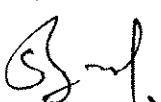
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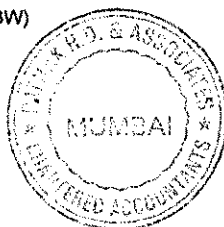
For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES

Chartered Accountants

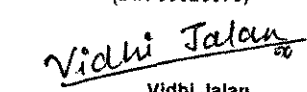
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Gyandeo Chaturvedi
 Partner
 Membership No. 46806




Shreevar Kheruka
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 (DIN 00626079)


Vidhi Jalan
 Company Secretary
 (Membership No. A46257)

Place : Mumbai
 Date : 10.05.2018

KLA SPACK PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

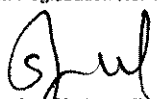
A. Equity Share Capital Particulars	(Rs. in lacs)			
	As at 1st April, 2016	Changes during 2016-17	As at 31st March, 2017	Changes during 2017-18
Equity Share Capital	358.33	361.71	720.04	-

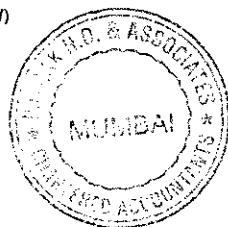
B. Other Equity Particulars	(Rs. in lacs)			
	Reserves and Surplus		Items of Other Comprehensive Income	
	Retained Earnings	Securities Premium Reserve	Revaluation Surplus	Remeasurements of Defined Benefit Plans
Balance as at 1st April, 2016	(315.78)	-	1,877.71	-
Total Comprehensive Income for the year	(1,051.60)	-	-	(4.56)
Securities Premium on issue of Share Capital	-	1,888.27	-	-
Transfer to Retained Earnings from Revaluation Reserve	779.42	-	(779.42)	-
Balance as at 31st March, 2017	(587.96)	1,888.27	1,098.29	(4.56)
Balance as at 1st April, 2017	(587.96)	1,888.27	1,098.29	(4.56)
Total Comprehensive Income for the year	(39.74)	-	-	17.77
Balance as at 31st March, 2018	(627.70)	1,888.27	1,098.29	13.21

As per our report of even date

For and on behalf of the Board of Directors

For PATHAK H.D. & ASSOCIATES
Chartered Accountants
(Firm Registration No. 107783W)

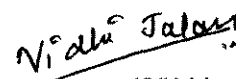

Gyandev Chaturvedi
Partner
Membership No. 46806



Place : Mumbai
Date : 10.05.2018


Shreevar Kheruka
Director
(DIN 01802416)


Prashant Amin
Managing Director
(DIN 00626079)


Vidhi Jalan
Company Secretary
(Membership No. A46257)

KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 1 CORPORATE INFORMATION:

Klasspack Private Limited ("the Company") is a limited Company domiciled and incorporated in India. It is a unlisted Company. The registered office of the Company is situated at H-27, MIDC, Ambad, Nasik 422010.

The Company is a leading manufacturer of Glass Ampoules and Tabular Glass Vials used as primary packaging materials by pharmaceutical companies.

The Financial Statements of the Company for the year ended 31st March, 2018 were approved and adopted by Board of Directors in their meeting held on 10th May, 2018.

Note 2 BASIS OF PREPARATION:

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.

The Financial Statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency and all values are rounded to the nearest lacs, except when otherwise indicated.

Note 3 SIGNIFICANT ACCOUNTING POLICIES:

3.1 Property, Plant and Equipment:

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.

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

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortised over the primary lease period of the land.

3.2 Intangible Assets :

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. In case of Intangible Assets, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.



KLASSPACK PRIVATE LIMITED**Notes to the Financial Statement for the year ended 31st March, 2018****3.3 Leases:**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

3.4 Inventories:

Inventories are valued at the lower of cost and net realizable value except scrap (cullet), which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost of raw materials, stores, spares and consumables and packing materials are computed on the weighted average basis. Cost of work in progress and finished goods is determined on absorption costing method.

3.5 Cash and cash equivalents:

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

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

3.6 Impairment of non-financial assets - property, plant and equipment and intangible assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

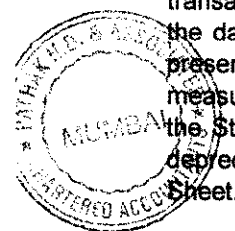
The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.7 Discontinued operation and non-current assets (or disposal groups) held for sale:**Discontinued operation:**

A discontinued operation is a component of the Company that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Non-current assets (or disposal groups) held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Statement of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.



3.8 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.

i) Financial assets -Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income)

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition:

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

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flow from the asset.

Impairment of financial assets:

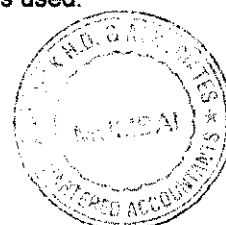
In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

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

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.



II) Financial liabilities - Initial recognition and measurement:

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

Financial liabilities - Subsequent measurement:

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

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Financial Liabilities - Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.



3.11 Revenue recognition and other income:

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer as per the terms of the contracts, usually on delivery of the goods, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty, if applicable, and excludes value added tax / sales tax / Goods and Service Tax. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of Services :

Revenue from sale of services is recognised as per the terms of the contract with customer based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage of completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Other Operating Income:

Incentives on exports and other Government incentives related to operations are recognised in statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the statement of profit or loss.

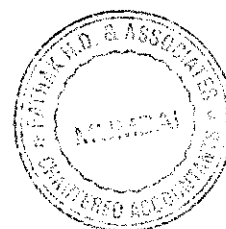
3.12 Foreign currency reinstatement and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.



3.13 Employee Benefits:

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which the related services are rendered.

Leave encashment being a defined benefit plan is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the year in which they arise. Other costs are accounted in statement of profit and loss.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

3.14 Share-based payments:-

Certain employees of the company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares of holding company ('equity-settled transactions').

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards are determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations. Amounts charged by the holding company in respect of awards granted to employees of the Company are recognised as payable under current financial liabilities - other until paid to the Holding Company.

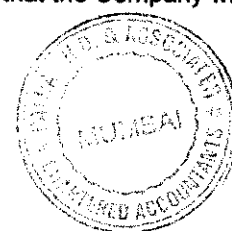
3.15 Taxes on Income:

Income tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Where Minimum Alternative Tax (MAT) is applicable, credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.



3.16 Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.17 Earnings per share:

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.18 Current and non-current classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets / liabilities are classified as non-current assets / liabilities. The Company has identified twelve months as its normal operating cycle.

3.19 Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date.

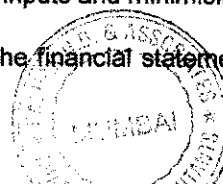
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes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

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

3.20 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 rights 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 rights 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 counterparty.

Note 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.1 Property, Plant and Equipment and Other Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

4.2 Income Tax:

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements.

4.3 Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

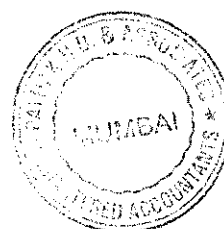
4.4 Impairment of financial assets:

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

4.5 Impairment of non-financial assets:

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

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



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

4.6 Defined benefits plans:

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

4.7 Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

4.8 Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4.9 Fair value measurement of financial instruments :

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



KLASSPACK PRIVATE LIMITED
Notes to the Financial Statement for the year ended 31st March, 2018
Note 5 - Property, plant and equipment

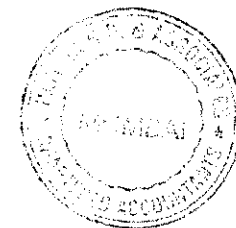
Particulars	Land - Leasehold	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Total	(Rs. in lacs) Capital Work in Progress
COST									
As at 1st April, 2016	594.00	1,107.90	1,251.76	946.19	52.63	33.65	3.63	3,989.76	-
Additions	-	18.24	-	433.21	0.72	-	15.76	467.93	477.04
Disposals / Transfers	594.00	-	316.04	-	-	4.28	1.50	915.82	421.19
As at 31st March, 2017	-	1,126.14	935.72	1,379.40	53.35	29.37	17.89	3,541.87	55.85
Additions	-	-	-	173.57	9.07	-	12.52	195.16	244.91
Disposals / Transfers	-	-	-	1.48	2.16	-	0.36	4.00	251.01
As at 31st March, 2018	-	1,126.14	935.72	1,551.49	60.26	29.37	30.05	3,733.03	49.75
DEPRECIATION									
As at 1st April, 2016	-	-	25.79	82.53	7.50	-	1.27	117.09	
Depreciation for the year	-	-	20.67	77.79	6.79	18.08	1.87	125.20	
Disposals	-	-	7.85	-	-	3.57	-	11.42	
As at 31st March, 2017	-	-	38.61	160.32	14.29	14.51	3.14	230.87	
Depreciation for the year	-	-	15.45	307.04	8.94	4.40	6.38	342.21	
Disposals	-	-	-	0.64	1.01	-	0.11	1.76	
As at 31st March, 2018	-	-	54.06	466.72	22.22	18.91	9.41	571.32	
NET BOOK VALUE									
As at 31st March, 2017	-	1,126.14	897.11	1,219.08	39.06	14.86	14.75	3,311.00	55.85
As at 31st March, 2018	-	1,126.14	881.66	1,084.77	38.04	10.46	20.64	3,161.71	49.75

5.1 In accordance with the Indian Accounting Standard (Ind AS 36) on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on property, plant and equipment during the year ended 31st March, 2018.

5.2 During the year, the company has changed useful life of certain Property, Plant and equipments from 15 years to 7.5 years.

5.3 Refer note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

5.4 Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in note 20 and note 22.



KLASSPACK PRIVATE LIMITED
Notes to the Financial Statement for the year ended 31st March, 2018
Note 6 - Other Intangible Assets

Particulars	(Rs. in lacs)	
	Other Intangible assets	Intangible assets under development
COST:		
As at 1st April, 2016		
Additions	-	0.86
Disposals / transfers	-	-
As at 31st March, 2017	-	0.86
Additions	1.08	-
Disposals / transfers	-	0.86
As at 31st March, 2018	1.08	-
AMORTISATION:		
As at 1st April, 2016		
Amortisation during the year	-	-
Disposals	-	-
As at 31st March, 2017	-	
Amortisation during the year	0.27	-
Disposals	-	-
As at 31st March, 2018	0.27	
NET BOOK VALUE:		
As at 31st March, 2017	-	0.86
As at 31st March, 2018	0.81	-

6.1 Intangible assets under development represents Computer Software other than self generated.

Note 7 - Non-Current Investments

Particulars	As at 31st March, 2018 Quantity (Nos)	As at 31st March, 2017 Quantity (Nos)	Face Value (in Rs.)	As at 31st March, 2018 (Rs in lacs)	As at 31st March, 2017 (Rs in lacs)
Investments carried at fair value through profit or loss					
(a) Equity Instruments:					
Unquoted Fully Paid-Up					
Others					
Bharat Co-op Bank	9900	9900	10	1.51	1.63
Total Non Current Investments				1.51	1.63

7.1 Aggregate value of unquoted non current investment is Rs. 1.51 lacs as at 31st March, 2018 (Previous Year Rs. 1.63 lacs)



KLASSPACK PRIVATE LIMITED**Notes to the Financial Statement for the year ended 31st March, 2018****Note 3 - Non-current financial assets - Others**

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good, unless otherwise stated : Security Deposits	20.94	13.57
Total	20.94	13.57



KLASSPACK PRIVATE LIMITED
Notes to the Financial Statement for the year ended 31st March, 2018
Notes 9 Income Tax

9.1 The major components of Income Tax Expenses / (Income) for the year ended 31st March, 2018 and 31st March, 2017 are as follows:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Recognised in Statement in Profit and Loss :		
Deferred Tax - Relating to origination and reversal of temporary differences	60.20	(3.68)
Total Tax Expenses / (income)	60.20	(3.68)

9.2 Reconciliation between tax expenses / (income) and accounting profit multiplied by tax rate for the year ended 31st March, 2018 and 31st March, 2017:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Accounting Profit /(loss) before tax	20.46	(1,055.28)
Applicable tax rate	30.90%	30.90%
Computed Tax Expenses / (Income)	6.32	(326.08)
Tax effect on account of:		
Lower tax rate and Indexation	(3.64)	(1.67)
Capital gain on sale of property, plant and equipment	-	326.05
Expenses not allowed	1.59	0.03
Exempted Income	-	(0.05)
Changes in Income Tax rates of subsequent year	58.75	-
Other deductions / allowances	(2.81)	(1.96)
Income tax expenses / (income) recognised in Statement of Profit and Loss	60.20	(3.68)

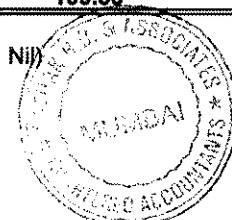
9.3 Deferred tax assets relates to the following:

Particulars	(Rs. in lacs)			
	Balance Sheet		Statement of Profit and Loss	
	As at 31st March, 2018	As at 31st March, 2017	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Property, Plant and Equipment	(0.36)	(3.53)	3.17	10.72
Financial Instruments	0.02	(0.01)	0.03	0.02
Provision for doubtful debts / advances	29.13	34.62	(5.49)	(0.32)
Inventory	7.78	17.00	(9.22)	4.27
Unabsorbed Depreciation Loss	101.96	158.46	(56.50)	(29.98)
Borrowings	4.90	-	4.90	-
Disallowance under the Income Tax Act, 1961	56.15	61.18	(5.03)	21.01
Deferred Tax Assets (Liabilities)	199.58	267.72	(68.14)	5.72

9.4 Reconciliation of deferred tax assets (net):

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Opening balance	267.72	262.00
Deferred Tax credit recognised in Statement of Profit and Loss	(60.20)	3.68
Deferred Tax credit recognised in OCI	(7.94)	2.04
Closing balance	199.58	267.72

9.5 Unused tax losses for which no deferred tax assets has been recognised is Rs. Nil (Previous year Rs. Nil)



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 10 - Other Non-current Assets

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good, unless otherwise stated :		
Capital Advances	74.11	-
Prepaid Expenses	11.73	11.08
Total	85.84	11.08

Note 11 - Inventories

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Raw Material	166.04	64.43
Work In Progress	9.74	-
Finished Goods	156.95	43.51
Stores, Spares and Consumables	41.11	4.16
Packing Material	23.34	15.58
Scrap(Cullet)	0.32	-
Total	397.50	127.68

11.1 The amount of reversal of write-down of inventories recognised for the year ended 31st March, 2018 is Rs. 25.07 lacs and the amount of written-down of inventories recognised for the year ended 31st March, 2017 of Rs. 13.80 lacs. These are included in "Cost of Raw Material Consumed and in Changes in Inventories of work in progress and finished goods" in the statement of profit and loss.

11.2 Some Inventories are hypothecated as collateral against borrowings, the details related to which have been described in note 20 and 22.

11.3 For mode of valuation, refer note no. 3.4.

Note 12 - Current financial assets - Trade Receivables

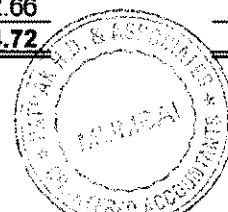
(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured:		
Considered Good	1,227.29	740.74
Considered Doubtful	112.03	112.03
	1,339.32	852.77
Less : Provision for Doubtful Debts	112.03	112.03
	1,227.29	740.74
Total	1,227.29	740.74

Note 13 - Cash and Cash Equivalents

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with Banks in current accounts	2.06	2.20
Cash on Hand	2.66	0.62
Total	4.72	2.82

13.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with Banks in current accounts	2.06	2.20
Cash on Hand	2.66	0.62
Total	4.72	2.82



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 14 - Bank Balances Other than Cash and Cash Equivalents

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Other Bank Balances:		
Fixed deposit with Banks - Having maturity 3 to 12 months	0.09	0.09
Earmarked Balances with bank :		
Unpaid Dividend Accounts	-	0.22
Total	0.09	0.31

Note 15 - Current financial assets - Loans

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good, unless otherwise stated:		
Loan to Employees	1.30	0.82
Total	1.30	0.82

Note 16 - Current financial assets - Others

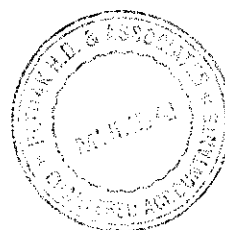
(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good, unless otherwise stated:		
Interest Receivables	2.65	0.88
Others	34.60	64.86
Total	37.25	65.74

16.1 Others includes discount receivable etc.

Note 17 - Other Current Assets

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good, unless otherwise stated:		
Export Incentives Receivable	3.53	0.06
Advances against supplies	5.64	4.67
Balance with Excise / Goods and Service Tax Authorities	27.33	37.10
Prepaid Expenses	2.57	1.34
Others	4.77	40.64
Total	43.84	83.81

17.1 Others includes sales tax receivables etc.



Note 18 - Equity Share Capital

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Authorised		
900,000 (Previous Year 900,000) Equity Shares of Rs. 100/- each	900.00	900.00
	900.00	900.00
Issued, Subscribed & Fully Paid up		
720,042 (Previous Year 720,042) Equity Shares of Rs. 100/- each fully paid up	720.04	720.04
Total	720.04	720.04

18.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	(in Nos.)	(Rs. in lacs)	(in Nos.)	(Rs. in lacs)
Shares outstanding at the beginning of the year	7,20,042	720.04	3,58,325	358.33
Add: Issue of equity share capital	-	-	3,61,717	361.71
Shares outstanding at the end of the year	7,20,042	720.04	7,20,042	720.04

18.2 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs.100/- per share. Holders of equity shares are entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.3 Shares held by Holding Company

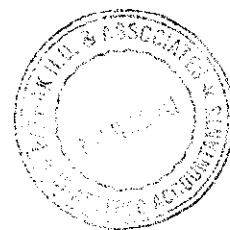
Name of holding Company	As at 31st March, 2018		As at 31 March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Glass Works Limited (w.e.f. 29.07.2016)	4,34,060	60.28%	4,34,060	60.28%

18.4 Details of Shareholder holding more than 5% of Equity Share Capital :

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Glass Works Limited	4,34,060	60.28%	4,34,060	60.28%
Shivganga Caterers Private Limited	95,400	13.25%	95,400	13.25%
Mrs. Pramila G. Amin	80,525	11.18%	80,525	11.18%
Mr. Prashant G. Amin	1,01,068	14.04%	1,01,068	14.04%

18.5 There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

18.6 There is no dividend paid or proposed during the year and during the previous year.



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 19 - Other Equity

		(Rs. in lacs)	
Particulars	As at 31st March, 2018	As at 31st March, 2017	
Retained Earnings			
As per Last Balance Sheet	(587.96)	(315.78)	
Add: Profit for the year	(39.74)	(1,051.60)	
Add :- Transfer from OCI on sale of property, plant and equipment	-	779.42	
	(627.70)	(587.96)	
Securities Premium Reserve			
As per Last Balance Sheet	1,888.27	-	
Add: Securities premium on issue of equity share capital	-	1,888.27	
	1,888.27	1,888.27	
Other Comprehensive Income (OCI)			
As per Last Balance Sheet	1,093.73	1,877.71	
Add: Movements in OCI (net) during the year	17.77	(783.98)	
	1,111.50	1,093.73	
Total	2,372.07	2,394.04	

19.1 Nature and Purpose of Reserve**1. Securities Premium Reserve:**

Securities Premium reserve is created on issue of equity share capital. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

2. Other Comprehensive Income (OCI)

OCI includes Revaluation Reserve and Remeasurements of Defined Benefit Plans.

3. Revaluation Reserve (Part of OCI):

Revaluation reserve is created on revaluation of fixed assets. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

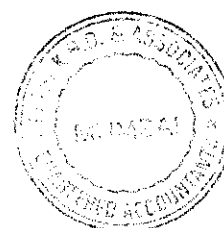
Note 20 - Non-current Financial Liabilities - Borrowings

		(Rs. in lacs)	
Particulars	As at 31st March, 2018	As at 31st March, 2017	
Secured Loan:			
Term Loans from a Bank	179.70	188.27	
Total	179.70	188.27	

- 20.1** Term Loans (including current maturities of long-term borrowings) are primarily secured by respective machineries and collateral secured by all piece and parcel of land lying at Village Gonde Dumala, within the limit of Nashik Zilla Parishad, Taluka Igatpuri & District Nashik and further hypothecation charge over existing all machineries. The same is carrying interest rate @ 10.30% p.a. Loan of Rs. 51.50 lacs is repayable in 8 equal monthly instalments of Rs.6.44 lacs, Loan of Rs. 39.12 lacs is repayable in 17 equal monthly instalments of Rs.2.30 lacs, Loan of Rs. 97.46 lacs is repayable in 28 equal monthly instalments of Rs.3.48 lacs, Loan of Rs. 142.50 lacs is repayable in 57 equal monthly instalments of Rs.2.50 lacs.

Note 21 - Non-current Financial Liabilities - Provisions

		(Rs. in lacs)	
Particulars	As at 31st March, 2018	As at 31st March, 2017	
Provisions for Employee Benefits:			
Gratuity (Unfunded) (Refer note 36)	183.16	170.29	
Total	183.16	170.29	



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 22 - Current Financial Liabilities - Borrowings

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Secured Loan:		
Working Capital Loan From Bank	251.66	206.86
Buyers Credit	142.16	123.31
Bills Discounting	63.30	-
Total	457.12	330.17

- 22.1** Working Capital Loan, Buyers Credit and Bill Discounting are primary secured by way of hypothecation charge over stocks, sundry debtors and existing plant and machineries and collateral secured by all piece and parcel of land being and lying at Village Gonde Dumala, within the limit of Nashik Zilla Parishad, Taluka Igatpuri & District Nashik. Working Capital Loan including Bills Discounting is carrying interest @ 10.30% p.a. and Buyers Credit Loan is carrying interest @ 125 bps.

Note 23 - Current Financial Liabilities - Trade Payables

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Micro, Small and Medium Enterprises	86.42	54.63
Others	837.15	385.17
Total	923.57	439.80

- 23.1** Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:

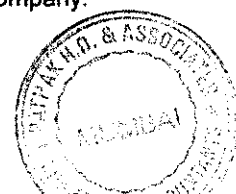
Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
a) Principal amount outstanding	86.42	54.63
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, alongwith amount of the payment made to the suppliers beyond the appointed day during the year .	-	-
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest remaining due and payable in the succeeding years.	-	-

Note 24 - Current financial liabilities - Others

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term borrowings - Term Loan	150.88	169.52
Current maturities of long-term borrowings - Loan from Life Insurance corporation of India	-	30.63
Interest accrued but not due on borrowing	4.53	15.27
Creditors for Capital Expenditure	12.46	13.10
Other Payables	142.23	146.81
Total	310.10	375.33

- 24.1** Loan from Life Insurance Corporation of India was secured by Keyman insurance policy of the Company.

- 24.2** Other payables includes salaries, wages, bonus payable, other provision for expenses etc.



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 25 - Other Current Liabilities

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance from Customers	46.61	25.31
Statutory liabilities	13.26	15.77
Total	59.87	41.08

Note 26 - Current Provisions

(Rs. in lacs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
Provisions for Employee Benefits		
Gratuity (Unfunded) (Refer note 36)	4.60	5.19
Leave Encashment	28.19	15.23
Others:		
Provision for excise duty on finished goods	-	7.29
Total	32.79	27.71

- 26.1 In Previous year, the Company had recognised liabilities based on substantial degree of estimation for Excise Duty payable on clearance of goods lying in stock. During the period till 30th June, 2017, Rs. 7.29 lacs was utilised for clearance of goods. Excise duty is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST).

KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

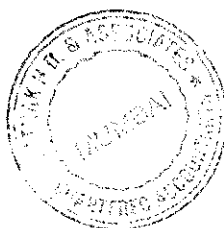
Note 27 - Revenues from Operations

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Sale of Products (Including Excise duty)	3,918.43	3,336.53
Sale of Services	101.62	62.16
Other Operating Revenue	25.83	2.15
Revenue from Operations	4,045.88	3,400.84

- 27.1 Sale of products for the periods up to 30th June 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST). In accordance with 'Ind AS 18 - Revenue', GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year is not comparable with those of previous year.

Note 28 - Other Income

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Income from financial assets measured at amortised cost:		
- Fixed Deposits with banks	-	2.31
- Others	2.65	0.94
Dividend Income from financial assets measured at fair value through profit or loss:		
- Non-current Investments	-	0.16
Gain on Sale of Investments (net)		
- Current Investments	-	28.00
Gain on foreign currency transactions (net)	-	6.89
Sundry credit balance written back (net)	17.70	3.32
Miscellaneous income	2.16	49.95
Total	22.51	91.57



KLASSPACK PRIVATE LIMITED**Notes to the Financial Statement for the year ended 31st March, 2018****Note 29 - Changes in Inventories of Work-in-Progress and Finished Goods**

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
At the end of the Year		
Work- In- Progress	9.74	-
Finished Goods	156.95	43.51
Scrap (Cullet)	0.32	-
	<u>167.01</u>	<u>43.51</u>
At the beginning of the Year		
Work- In- Progress	-	-
Finished Goods	43.51	17.48
Scrap (Cullet)	-	0.20
	<u>43.51</u>	<u>17.68</u>
Total	<u><u>(123.50)</u></u>	<u><u>(25.83)</u></u>

Note 30 - Employee Benefits Expense

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Salaries, Wages and allowances	762.34	790.36
Contribution to Provident and Other Funds	45.17	34.39
Share Based Payments (Refer Note 37)	7.12	-
Staff Welfare Expenses	48.31	38.01
Gratuity (unfunded) (Refer note 36)	39.21	42.43
Total	<u><u>902.15</u></u>	<u><u>905.19</u></u>

Note 31 - Finance Costs

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Expenses on financial liabilities measured at amortised cost	66.25	182.84
Exchange Difference regarded as an adjustment to Borrowing Cost	12.89	-
Total	<u><u>79.14</u></u>	<u><u>182.84</u></u>

Note 32 - Depreciation and Amortisation Expense

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Depreciation of Tangible Assets (Refer note 5)	342.21	125.20
Amortisation of Intangible Assets (Refer note 6)	0.27	-
Total	<u><u>342.48</u></u>	<u><u>125.20</u></u>



KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 33 - Other Expenses

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Manufacturing Expenses		
Stores, Spares and Consumable	67.14	39.13
Power, Fuel & Water Charges	366.91	254.10
Packing Materials Consumed	175.11	106.49
Repairs to Plant & Machinery	94.49	56.28
Repairs to Buildings	1.40	-
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	43.41	15.07
Discount and Commission	11.23	0.98
Freight Outward / Octroi	62.68	55.49
Administrative and General Expenses		
Rent	2.16	9.09
Rates and Taxes	9.62	32.67
Other Repairs	10.10	4.87
Insurance	9.52	9.55
Legal and Professional Fees	54.28	47.54
Travelling	58.52	42.34
Loss on Foreign Currency Transactions (net)	11.85	-
Provision for Doubtful Debts	-	0.97
Loss on Financial Instruments measured at fair value through profit and loss	0.12	-
Payment to Auditors (Refer Note 33.1)	6.38	4.00
Donation	1.05	0.09
Debit Balances Written Off	-	5.72
Miscellaneous Expenses	46.04	50.00
Total	1,032.01	734.38

33.1 Details of Payment to Auditors

(Rs. in lacs)		
Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Payments to the auditor as:		
Auditor	4.50	3.00
For Tax Audit	1.50	1.00
For Taxation Matters	-	-
For Company Law Matters	-	-
For Other Service	-	-
For Reimbursement of Expenses	0.38	-
Total	6.38	4.00

Note 34 - Earnings Per Equity share (EPS)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Net loss after tax attributable to Equity Shareholders for Basic and Diluted EPS (Rs. in lacs)	(39.74)	(1,051.60)
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	720,042	602,112
Earnings per share of Rs. 100 each (in Rs.)		
- Basic	(5.52)	(174.65)
- Diluted	(5.52)	(174.65)
Face Value per Equity Share (in Rs.)	100.00	100.00



Note 35 - Contingent Liabilities and Commitments

35.1 Contingent Liabilities (To the extent not provided for)
Claims against the Company not acknowledged as debts

Particulars	(Rs. in lacs)	
	As at 31st March 2018	As at 31st March 2017
Letter of Credits- Foreign	160.77	-

35.2 Commitments

Particulars	(Rs. in lacs)	
	As at 31st March 2018	As at 31st March 2017
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
-- Related to Property, Plant and Equipment	1,936.02	20.16
Commitment towards EPCG License *	93.56	114.24

* The period, during which export obligation is required to be fulfilled, has been expired against the said EPCG License. The Company has filed application for extension of period for fulfilment of export obligation, as allowed by EPCG scheme. Since the application is pending for its approval, the Company has shown the corresponding duty saved amount as contingent liabilities.

35.3 Management is of the view that above contingent liabilities and commitments will not have impact on the financial position of the company.

Note 36- Employee Benefits

36.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

(a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	(Rs. in lacs)	
	2017-18	2016-17
Employer's Contribution to Provident Fund	14.79	13.26
Employer's Contribution to Pension Scheme	18.49	15.67
Employer's Contribution to ESIC	11.74	5.35
Employer's Contribution to MLWF	0.11	0.11

The contribution to provident fund and pension scheme is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC made to Employees' State Insurance Corporation. The contribution towards MLWF is made to Maharashtra Labour welfare Fund. The obligation of the Company is limited to the amount contributed and it has neither further contractual nor any constructive obligation.

(b) Defined Benefit Plan:

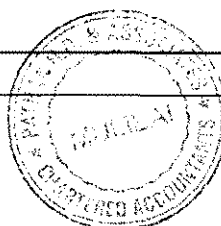
The Gratuity benefits of the Company are unfunded. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity (Unfunded)	
	As at 31st March, 2018	As at 31st March, 2017
Actuarial assumptions		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary growth	10.00%	10.00%
Discount rate	7.10%	7.10%
Withdrawal rates	1.00% at all stages	1.00% at all stages

Particulars	(Rs. in lacs)	
	Gratuity (Unfunded)	
	2017-18	2016-17
Movement in present value of defined benefit obligation		
Obligation at the beginning of the year	175.48	130.00
Current service cost	16.04	13.41
Interest cost	12.27	11.33
Benefits paid	(1.22)	(1.09)
Actuarial (gains)/losses on obligations	(25.71)	6.60
Past service cost	10.90	15.23
Obligation at the end of the year	187.76	175.48
Current Provisions	4.60	5.19
Non-current Provisions	183.16	170.29
Amount recognised in the Statement of profit and loss		
Current service cost	16.04	13.41
Interest cost	12.27	11.33
Past service cost	10.90	15.23
Total	39.21	39.97
Amount recognised in the Other Comprehensive Income		
Actuarial (gains) / losses on obligations due to financial assumptions	(15.29)	14.61
Actuarial (gains) / losses on obligations due to experience adjustments	(10.42)	(8.01)
Total	(25.71)	6.60

(c) Net Liability Recognised in the balance sheet

Amount recognised in the balance sheet	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Present value of obligations at the end of the year	187.76	175.48
Less: Fair value of plan assets at the end of the year	-	-
Net liability recognized in the balance sheet	187.76	175.48



- (d) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

36.2 Sensitivity analysis:

Particulars	Changes in assumptions	Effect on Gratuity - Increase/(Decrease) in obligation
For the year ended 31st March, 2017		
Discount rate	+0.5%	(10.61)
	-0.5%	11.52
Salary growth rate	+0.5%	6.96
	-0.5%	(8.56)
Withdrawal rate	W.R. X 110%	0.98
	W.R. X 90%	(1.09)
For the year ended 31st March, 2018		
Discount rate	+0.5%	(11.61)
	-0.5%	12.63
Salary growth rate	+0.5%	12.29
	-0.5%	(12.22)
Withdrawal rate	W.R. X 110%	(0.79)
	W.R. X 90%	0.32

The above sensitivity analysis is 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. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

36.3 The following payments are expected towards Gratuity in future years:

Year ended	(Rs. in lacs) Expected payment
31st March, 2019	3.98
31st March, 2020	6.79
31st March, 2021	4.76
31st March, 2022	5.01
31st March, 2023	5.05
31st March, 2024 to 31st March, 2028	60.42

36.4 Risk exposures

1) Actuarial Risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2) Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

3) Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

4) Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

5 Details of Asset-Liability Matching Strategy:-

Gratuity benefits liabilities of the company are unfunded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

Since the liabilities are unfunded, there is no Asset-Liability Matching strategy devised for the plan.

36.6 The average duration of the defined benefit plan obligation at the end of the reporting period is 11.27 years (Previous Year 11.44 years)

Note 37 - Share based payments

The Company offers equity-based award plan to its employees through its Holding Company, Borosil Glass Works Limited. During the year, the Holding Company introduced an Borosil Employee Stock Option Scheme 2017 ("ESOS"), which was approved by the shareholders of the Holding Company to provide equity settled incentive to an employee of the Company. The ESOS scheme includes tenure based stock option awards. The specific Employees to whom the Options are granted and their Eligibility Criteria are determined by the Nomination and Remuneration Committee of Holding Company.

Initial awards under the ESOS were granted on 2nd November, 2017. The exercise price of the awards is Rs. 800 per option. 33% of the options will be vested on completion of 1st year, another 33% will be vested on completion of 2nd year and remaining 34% will be vested on completion of 3rd year. Options are exercisable within period of 5 years from the respecting vesting period.

The Company recognized total expenses of Rs. 7.12 lacs related to equity settled share-based payment transactions for the year ended 31st March, 2018 and corresponding liability has been recognised for an equivalent amount. The liability recognised on this account will be payable to the Holding Company on exercise of the option by the employee. Total 9,511 Employee Stock options has been granted by the Holding Company to an employee of the Company and there is no forfeiture / exercise during the year.

Note 38 - Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-

38.1 Movement in provisions:-

Nature of provision	Provision for Doubtful Debts	Excise duty Provision	(Rs. in lacs) Total
As at 1st April, 2016	111.06	-	111.06
Provision during the year	0.97	7.29	8.26
As at 31st March, 2017	112.03	7.29	119.32
Payment during the year	-	(7.29)	(7.29)
As at 31st March, 2018	112.03	-	112.03

KLASSPACK PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2018

Note 39 - Segment Information

39.1 The company is primarily engaged in the business of manufacturing of packaging materials used in pharmaceutical companies, which is a single segment in terms of Ind AS 108 "Operating Segments".

39.2 Revenue From External Sales

Particulars	(Rs. in lacs)	
	31st March, 2018	31st March, 2017
India	3,608.02	2,739.75
Outside India	241.39	253.44
Total Revenue As per statement of Profit or Loss	3,849.42	2,993.19

39.3 Revenue of Rs 608.32 lacs (Previous year Rs. 376.81 lacs) from a customer represents more than 10% of the company revenue for the year ended 31st March, 2018.

Note 40 - Related party disclosure

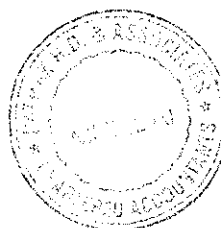
In accordance with the requirements of Ind AS 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detail below:

40.1 List of Related Parties :

	Name of the related party	Country of Incorporation	% of equity interest held by holding company	
			As at 31st March 2018	As at 31st March 2017
(a)	Holding Company Borosil Glass Works Limited (w.e.f. 29.07.2016)	India	60.28%	60.28%
	Fellow Subsidiary: Gujarat Borosil Limited (w.e.f. 29.07.2016) Hopewell Tableware Private Limited (w.e.f. 29.07.2016)			
(c)	Key Management Personnel Mr. Prashant Amin - Managing Director Mrs. Shweta Amin - Director Mr. Gangadhar Amin - Director (Till 28.06.2016)			
(d)	Relative of Key Management Personnel Mr. Gangadhar Amin			
(e)	Enterprises over which persons described in (c) and (d) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:- Shivganga Caterers Private Limited G.P. (Nashik) Farm Private Limited Keshar Sweets			

40.2 Transactions with Related Parties :

Name of Transactions	Name of the Related Party	(Rs. in lacs)	
		2017-18	2016-17
Transactions with holding company and fellow subsidiary			
Sale of Goods	Borosil Glass Works Limited	327.10	170.01
Purchase of Goods	Borosil Glass Works Limited	4.99	-
Share Based Payment	Borosil Glass Works Limited	7.12	-
Sales promotion expenses	Borosil Glass Works Limited	-	0.15
Reimbursement of expenses to	Borosil Glass Works Limited	15.08	-
Reimbursement towards capital expenses	Gujarat Borosil Limited	0.28	0.86
Transactions with other related parties:			
Sale of capital assets	Mr. Gangadhar Amin	-	2.00
Rent Expenses	Mr. Gangadhar Amin	2.16	1.62
Interest Expenses	Shivganga Caterers Private Limited	-	26.80
Directors Remuneration	Mr. Prashant Amin Ms. Shweta Amin Mr. Gangadhar Amin	38.14 8.34 -	30.95 7.03 150.00
Reimbursement of expenses to	Shivganga Caterers Private Limited G.P. Farm (Nashik) Pvt Ltd Keshar sweets	27.69 0.90 1.07	18.52 - -
Current Borrowings taken	Mr. Prashant Amin	-	4.80
Non-current Borrowings repaid	Shivganga Caterers Private Limited	-	634.25
Current Borrowings repaid	Mr. Prashant Amin	-	13.80
Financial Assets - Loan returned	G.P. (Nashik) Farm Private Limited	-	1.88



		(Rs. In lacs)	
Name of Transactions	Name of the Related Party	As at 31st March, 2018	As at 31st March, 2017
Balances with Holding Company and fellow subsidiary at the end of the year			
Trade Receivable	Borosil Glass Works Limited	47.57	26.38
Trade Payable	Borosil Glass Works Limited	21.24	-
	Gujarat Borosil Limited	-	0.86
Current financial liabilities - Others	Borosil Glass Works Limited	-	9.36
Current financial liabilities - Others (Refer Note 37)	Borosil Glass Works Limited	7.12	-
Balances with other related parties at the end of the year:			
Trade Payable	Shivganga Caterers Private Limited	13.79	4.25

40.3 Compensation of key management personnel of the Company

Nature of transaction	(Rs. in lacs)	
	2017-18	2016-17
Short-term employee benefits	46.48	37.98
Post-employment benefits	-	4.58
Total compensation of key management personnel	46.48	42.56

40.4 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions except the transaction of sale of capital goods and rent expenses paid to Mr. Gangadhar Amin, for which the Company has made necessary compliance under sub-section (1) of Section 188 of the Companies Act, 2013 and has obtained approval from shareholders. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 41 - Fair Values

Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

a) Financial Assets measured at fair value:

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Financial Assets designated at fair value through profit and loss:-		
— Investment	1.51	1.63

b) Financial Assets / Liabilities measured at amortised cost:

Particulars	(Rs. in lacs)			
	As at 31st March, 2018		As at 31st March, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at amortised cost:-				
- Trade Receivables	1,227.29	1,227.29	740.74	740.74
- Cash and cash equivalents	4.72	4.72	2.82	2.82
- Bank Balances other than cash and cash equivalents	0.09	0.09	0.31	0.31
- Loans	1.30	1.30	0.82	0.82
- Others	58.19	58.19	79.31	79.31
	1,291.59	1,291.59	824.00	824.00
Financial Liabilities designated at amortised cost:-				
- Non-current borrowings	179.70	179.70	188.27	188.27
- Current borrowings	457.12	457.12	330.17	330.17
- Trade Payables	923.57	923.57	439.80	439.80
- Other Financial Liabilities	310.10	310.10	375.33	375.33
	1,870.49	1,870.49	1,333.57	1,333.57

41.2 Fair Valuation techniques

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

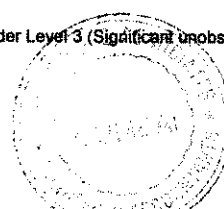
- Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, borrowings, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of Non-current Borrowings and Security Deposits are approximate at their carrying amount due to interest bearing features of these instruments.
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

41.3 Fair value hierarchy

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

- Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

As per above hierarchy, the sole investment of the Company in equity shares of Bharat Co-op Bank Ltd is grouped under Level 3 (Significant unobservable inputs).



41.4 Description of the inputs used in the fair value measurement:

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 31st March, 2018 and 31st March, 2017 respectively:

(Rs. in lacs)				
Particulars	As at 31st March, 2018	Valuation Technique	Inputs used	Sensitivity
Financial Assets designated at fair value through profit or loss:				
– Unlisted equity investments	1.51	Book Value	Financial statements	No material impact on fair valuation

Particulars	As at 31st March, 2017	Valuation Technique	Inputs used	Sensitivity
Financial Assets designated at fair value through profit or loss:				
– Unlisted equity investments	1.63	Book Value	Financial statements	No material impact on fair valuation

41.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:-

Financial Assets designated at fair value through profit or loss - Investments

Particulars	Rs. in Lacs
Fair value as at 1st April, 2016	1.63
Gain on financial instruments measured at fair value through profit or loss (net)	-
Purchase / Sale of financial instruments	-
Amount transferred to / from Level 3	-
Fair value as at 31st March, 2017	1.63
Loss on financial instruments measured at fair value through profit or loss (net)	(0.12)
Purchase / Sale of financial instruments	-
Amount transferred to / from Level 3	-
Fair value as at 31st March, 2018	1.51

41.6 Description of the valuation processes used by the Company for fair value measurement categorised within level 3:-

At each reporting date, the Company analyses the movements in the values of financial assets and liabilities which are required to be remeasured or reassessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Company also discusses the major assumptions used in the valuations.

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

Note 42 :- Financial Risk Management: - Objectives and Policies

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. This Risk management plan defines how risks associated with the Company will be identified, analyzed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is i) to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, ii) to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, iii) to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks.

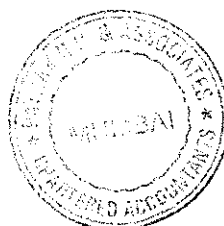
Activities are developed to provide feedback to management and other interested parties (e.g. Board etc). The results of these activities ensure that risk management plan is effective in the long term.

42.1 Market risk

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

The sensitivity analyses given is relate to the position as at 31st March 2018 and 31st March 2017.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2018 and 31st March, 2017.



-(a) Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts foreign business primarily in EURO. The Company has obtained foreign currency loans and has foreign currency trade payables and is therefore, exposed to foreign exchange risk. The Company is regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the EURO to the Indian Rupee with all other variables held constant. The impact on the Company's profit / loss before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31st March, 2018		Currency	Amount in FC	Rs. in lacs
Trade Payable		EURO	1,02,137.20	82.35
Borrowings and interest thereon		EURO	1,76,739.56	142.49
Unhedged Foreign currency exposure as at 31st March, 2017		Currency	Amount in FC	Rs. in lacs
Trade Payable		EURO	27,702.56	19.37
Borrowings and interest thereon		EURO	1,76,754.71	123.61

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit / loss before tax :-

Particulars	(Rs. in lacs)			
	2017-18		2016-17	
	Increase / (Decrease) in profit before tax		Decrease / (Increase) in loss before tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
EURO	(2.25)	2.25	(1.43)	1.43
Total	(2.25)	2.25	(1.43)	1.43

b) Interest rate risk and sensitivity :-

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 having long term borrowings in the form of term loan from bank. Further, the company is having short term borrowings in the form of buyers credit and working capital loan from bank. In respect of buyers credit, the rate of interest is fixed during the tenure of the borrowings and hence there is no significant risk associated with these borrowings. The Company is exposed to interest rate risk associated with term loan and working capital loan due to floating rate of interest.

The table below illustrates the impact of a 2% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	(Rs. in lacs)			
	2017-18		2016-17	
	Increase / (Decrease) in profit before tax		Decrease / (Increase) in loss before tax	
	2% Increase	2% Decrease	2% Increase	2% Decrease
Term Loan	(6.61)	6.61	(7.16)	7.16
Working capital loan	(5.03)	5.03	(4.14)	4.14
Total	(11.64)	11.64	(11.29)	11.29

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

c) Commodity price risk:-

The Company continues its dependence on single supplier of primary raw material due to excellent product Quality and un-matched service. Supplier is maintaining a stable pricing structure for its products.

4.2.2 Credit risk

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

a) Trade Receivables:-

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. For a customer accounting for 10% or more of revenue in any of the years presented, refer note 39. Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties.

b) Financial instruments and cash deposits:-

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the Company's finance department. Investment of surplus funds are also managed by finance department. The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.



42.3 - Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies operating cash flows and short term borrowings in the form of buyers credit and working capital loan to meet its needs for funds. Company does not breach any covenants (where applicable) on any of its borrowing facilities. The Company has access to a sufficient variety of sources of funding as per requirement. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Maturity					(Rs. in lacs)
	On demand	0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	Carrying Amount
As at 31st March, 2017						
Non-current borrowings	-	-	-	-	188.27	188.27
Current borrowings	206.86	-	-	123.31	-	330.17
Trade Payables	-	439.80	-	-	-	439.80
Other financial liabilities	-	207.76	45.42	122.15	-	375.33
Total	206.86	647.56	45.42	245.46	188.27	1,333.57
As at 31st March, 2018						
Non-current borrowings	-	-	-	-	179.70	179.70
Current borrowings	251.66	63.30	-	142.16	-	457.12
Trade Payables	-	923.57	-	-	-	923.57
Other financial liabilities	-	159.38	52.94	97.78	-	310.10
Total	251.66	1,146.25	52.94	239.94	179.70	1,870.49

Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise to meet the needs of its customers.

Note 43: Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

Particulars	(Rs. in lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Total Debt	787.70	718.59
Less:- Cash and cash equivalent	4.72	2.82
Net Debt	782.98	715.77
Total Equity (Equity Share Capital plus Other Equity)	3,092.11	3,114.08
Total Capital (Total Equity plus net debt)	3,875.09	3,829.85
Gearing ratio	20.21%	18.69%

Note 44: Standards issued but not effective :

On 28th March, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - "Revenue from Contract with Customers" and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2018.

44.1 Issue of Ind AS 115 - "Revenue from Contracts with customers"

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. The core principles of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

44.2 Amendment to Existing issued Ind AS

The MCA has also notified certain amendments to the following Accounting Standards:

- Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- Ind AS 12 - Income Taxes

44.3 Applications of the above standards are not expected to have any significant impact on the Company's financial statements.

Note 45 :
The Management and authorities have the power to amend the Financial Statements in accordance with section 130 and 131 of The Companies Act, 2013.

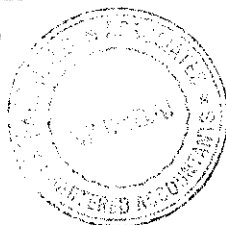
Note 46
Previous Year figures have been regrouped and reclassified wherever necessary.

As per our report of even date

For **PATHAK H.D. & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 107783W)

Gyandeo Chaturvedi
Partner
Membership No. 46806

Place : Mumbai
Date : 10.05.2018



For and on behalf of the Board of Directors

Shreevar Kheruka
Shreevar Kheruka
Director
(DIN 01802416)

Rashmit Amin
Rashmit Amin
Managing Director
(DIN 00626079)

Vidhi Jalan
Vidhi Jalan
Company Secretary
(Membership No. A46257)