



We rise by

lifting
others.

Filatex India Limited
Annual Report 2018-19



Sh. Ram Avtar Bhageria

(1934-2017)

Founder Chairman

A man who communicated by examples that had powerful impact on his people

A man who always stood on principles, even if he stood alone

A man who made sure everything he did was consistent with his morals, principles and goals

A man who did not do different things but did things differently

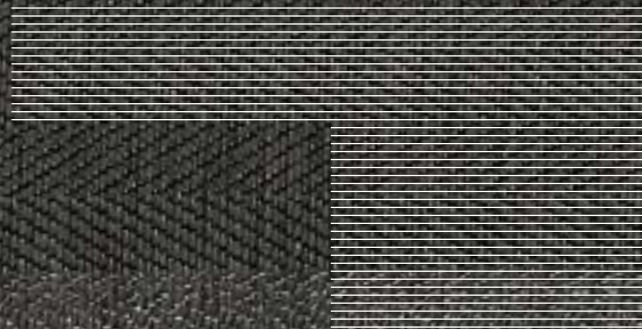
A man to whom "Every problem was an opportunity in disguise"

A meticulous planner who believed that "Delay is preferable to error"

A man who believed "Nothing can stop the man with the right mental attitude from achieving his goal"

His ethics and principles continue to inspire us.

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OUR JOURNEY

1990

Incorporated in
August 1990

1994

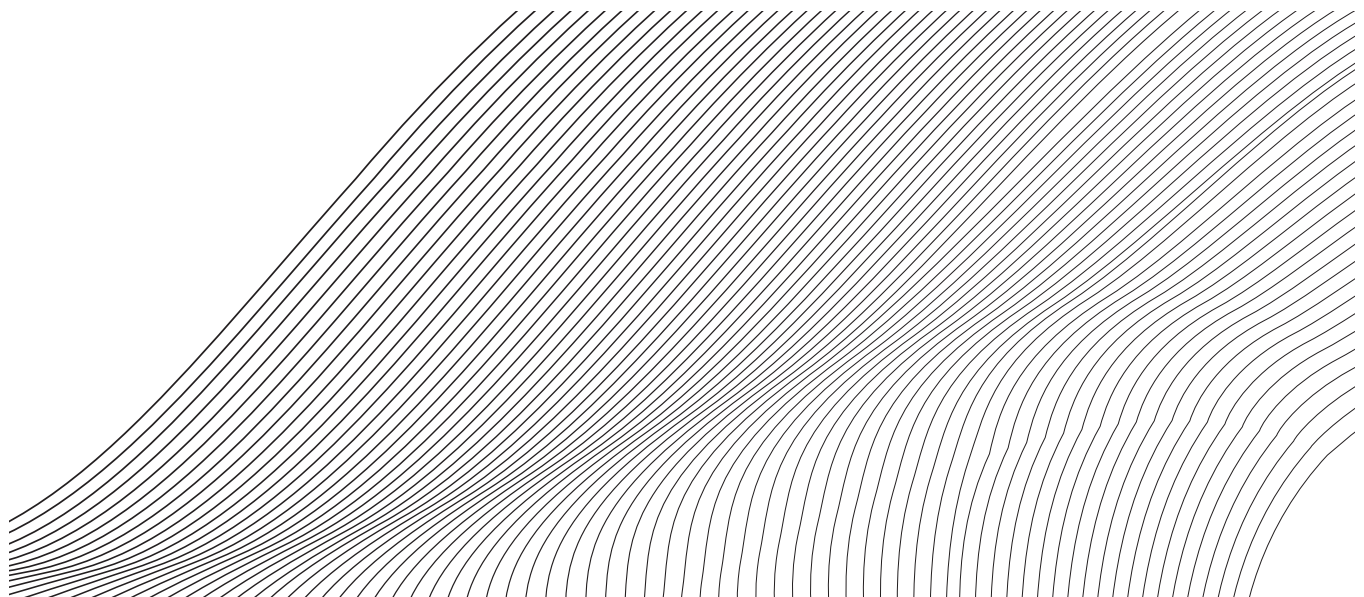
Commenced
Production of
Mono Filament
Yarns at **Noida**

1996

Diversified
into **Speciality
Polyester
Filaments Yarn**
at Dadra (U.T.
Dadra and Nagar
Haveli) with
the production
of **POY** and
Textured Yarns.

1998

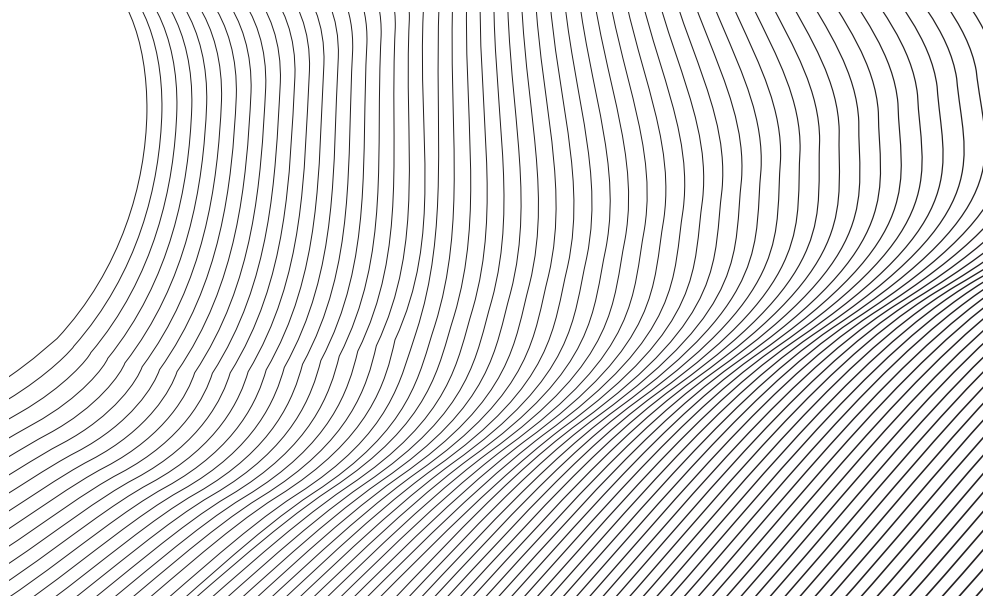
Started
production of
**Polypropylene
Multi filament
Dope Dyed Yarns**
at Dadra/**Added**
more **Polyester
POY** and
**Polypropylene
yarns** at
Dadra Plant





2008

Commenced production of **Fully Drawn Yarns**- FDY in Dadra using latest machine from World leader **Barmag, Germany**



2012

Commenced **Poly-Condensation plant** envisaging 600 TPD with 250 TPD POY and 350 TPD of Polyester Chips at Dahej, Gujarat

2016

In Dahej, added **115 TPD of Fully Drawn Yarn (FDY)** in March and **200 TPD of Draw Textured Yarn (DTY)**

2018

Commissioned **Bright Polymerization** of 300 TPD for spinning, 190 TPD of FDY, 25 TPD of POY and 85 TPD of Bright chips at Dahej, Gujarat.

2019

Total Polymerization capacity enhanced to **1,050 TPD** from 900 TPD in Q4 FY19 at Dahej. Expected commencement of commercial production of POY in Q2 FY20 & DTY in Q4 FY20.

FILATEX AT A GLANCE

1

1,000+ tonnes per
day production

2

2 manufacturing
facilities

42	~15%	~2,200
Exporting to 42 countries	~15% export contribution to revenue in FY19	~2,200 team strength



~3 decade of
business operations

Increase in
Production
Capacity from
328,300 TPA in
FY19 to 383,000
TPA in FY20

16.3%

4 years Revenue from
Operations CAGR at 16.3%

72.4%

4 years PAT CAGR at 72.4%

Our Vision

- » To be one of the leading polyester yarn manufacturers, producing products of international standards and being customer focused through stringent quality assurance and continuous innovation.

Our Mission

- » To attain the highest level of trust, integrity, and honesty in business.
- » To encourage people's ownership, empowerment and working under team structure.
- » To manufacture at an affordable cost that provides our customers with a competitive advantage.
- » Strive to maintain an edge over its competitors due to consistent product quality and low operating cost.

Our Values

- » Integrity and Honesty in Business
- » Customer Satisfaction & Delight
- » Encourage Creativity & Innovation to drive people, product & processes
- » To promote safe work practices
- » To protect the environment & community

CHAIRMAN'S LETTER



Dear Shareholders,

It is a privilege to present the annual performance of your company for FY 2018-19. I am pleased to inform that the company has continued to better its performance despite subdued growth in demand in the market, both global and domestic. This was, in particular, due to trade conflicts and growing political tensions.

The company has reported a revenue of Rs 2886.0 Cr, a growth of 49% Y-o-Y basis and EBITDA of Rs 216.51 Cr registering an increase of 38% Y-o-Y basis. The company has also made a substantial growth of 42% in PAT Y-o-Y basis. The addition of Bright polymer and Texturizing capacity has improved the product range which has led to a good jump in both EBITDA (Operating Profit) and PAT (Net Profit). The execution of debottlenecking activities is in full swing and its benefit is likely to trickle in by Q3, after the trial runs are over. The company managed to export around 43160 MT of polyester products, which in terms of value aggregates to Rs 431.6 Cr. At present, the global footprint is in 42 countries, spread across several continents.

Your company is now firmly established in the business of manufacturing Synthetic Filament Yarn and is rated amongst top five manufacturers in the country. We are producing wide variety of yarns; full range of coarse and fine deniers, in all kinds of shades and varieties like Bright, Semi dull, Black, Dope dyed. We remain focused on Polyester filament Yarns, POY, FDY and DTY.

Global Fiber Market

Preliminary estimates reported during the steering meeting of the (DNFI) Discover Natural Fibres Initiative indicate that world production of all fibres rose to approximately 111 million metric tons in 2018 which is an increase of 4 million tons over the last year. To look at it in broader perspective, it is an increase of 37 million tons over the past decade.

Of the world total textile fibers of 111 million tons in 2018, the natural fibers accounted for 32 million tons. Cotton is the most

predominant fiber amongst natural fibers and its growth over the decade has been 2.53 million tons, which is just a CAGR of 1%. There is almost negative or no growth in other natural fibers as these have reached a saturation point. The constraint for cotton segment growth is paucity of arable land, water and the high cost of production. The share of natural fibers in world fiber production is shrinking and has fallen from 41 percent in 2008 to less than 29 percent in 2018. This gap has been filled by the increased production of synthetic filaments and fibers, which rose from 44.54 million tons in 2008 to a whopping 79.1 million tons in 2018. In this current production of 79.1 million, the synthetic filaments volume is around 50 million tons, in which, polyester filament have the largest at around 45 million tons. Synthetic staple fibers production rose to 22 million tons in 2018, up from 15 million tons in 2008. Production of cellulosic fibers rose to 6.9 million tons in 2018, up from 3.5 million in 2008. Out of the total increase of 37 million tons in all the fibers in last decade, Polyester Filaments segment alone accounted for 22 million tons which is a phenomenal increase of almost 100% increase in the decade.

Polyester fibers have become the preferred choice within the textile industry because of its physical properties, price, recyclability, and versatility, which offer a unique set of advantages unmatched by any other fiber. The major application for polyester fibers is the production of fabrics, which are further used for the manufacture of apparel, garments, and other finished textile goods. The manufacture of apparel accounted for about half of the polyester fiber end uses. Home furnishings constitute the second-largest end-use sector, accounting for about 25% of the total globally.

Northeast Asia is expected to remain the major actor on the global polyester fiber stage through 2022, accounting for nearly 80% of the new capacity and 75% of the demand growth. Nevertheless, as Chinese wages are rapidly increasing, a gradual shift of textile production toward other less developed countries is taking place. India is second largest manufacturer of polyester

“Chinese wages are rapidly increasing, a gradual shift of textile production toward other less developed countries is taking place. The gap between India and China in terms of production volumes is huge, China being around eight times. Indian manufacturers are well placed to grab this opportunity of filling up the gap that is getting created gradually. Abundant availability of key raw materials PTA and MEG domestically enhances the prospects of setting up new capacities.”



synthetic fibers with an aggregate capacity of around 5.5 million tons. The gap between India and China in terms of production volumes is huge, China being around eight times. Other countries in the sub-continent contribute very little volume. Indian polyester manufacturers are well placed to grab this opportunity of filling up the gap that is getting created gradually. Abundant availability of key raw materials PTA and MEG domestically enhances the prospects setting up new capacities.

India's Textiles Outlook

Polyester manufacturers, specifically that of filaments yarns in India, are going to enjoy a sustained period of high growth for next decade at least, if not more.

The Indian textile industry will consolidate its position, capitalizing on its comparative low labor costs. The key driver will be polyester filaments which are finding wide acceptance. Over the next five years, the market for polyester fibers segment is expected to grow at an average rate of about 8% per year, broadly aligned with the GDP growth forecast for the country. Current trends in energy, labor costs, freight, and raw material costs, are expected to add advantage to polyester filaments over other fibers, thus further driving demand such as tire cord and nonwoven fabrics finding application in filtration, personal care and hygiene applications. Polyester filaments will remain the fastest growing product because of the increasing textile requirements in the emerging world.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. Export is essential for sustainable growth. No nation has sustained growth

of rates of 9-10% for two or more decades without succeeding in global market. China's share in merchandising export rose from 2% in 1991 to 12.4% in 2012. These two decades saw China fully transform from a primary agrarian to a modern industrial economy. Today, India's share in global merchandise export remains low at 1.7%. In the year 2000, when China's GDP was no more than India's today, it accounted for 4% of the global trade. Sustained high growth and creating good jobs require a strategy centered on building an export-friendly eco system in the country. The starting point of this strategy is shedding two of our current obsessions: import substitution and micro and small enterprises. Import substitution has never produced sustained rapid growth anywhere. On their own, micro and small companies can provide low productivity, subsistence wage employment to the multitude but they can't be the source of high productivity and well-paid jobs without successful medium and large enterprises around them. Free flow of exports and imports also require facilitation. Unnecessary clearances, delays at the port and high inland transport costs add to the cost of exports. In ease of doing business rankings, India still continues to have a low ranking in cross border trade which measure the time and cost associated with the logistical process of exporting and importing goods.

Future Prospects

We continue to be bullish and rather buoyant about prospects of our business and we fervently are looking for opportunities for strengthening and growing our business. We are utilizing our capacity above 90%. We are undertaking necessary steps to augment the debottlenecked capacity by this year and we will add more POY and DTY capacity, which

“We are at an advance stage of setting up a captive power plant at Dahej Unit. Reliable power, at lower cost, will increase our competitiveness in the market as well as add significantly to the bottom line.”

will be commissioned in FY20.

We have, over the years, realized that in our business segment we can do anything, but we can't do everything not at the same time. So, we are thinking of our priorities not in terms of what activities we can take up but when can we take them up. Timing is everything and has become the essence of our planned activities. We are continuously strengthening our business model thru a theme of value-added activities. We continue to monitor our competitive edge and are constantly improving efficient use of energy and productivity. We are at an advance stage of setting up a captive power plant at Dahej Unit, where the cost of energy is almost 40% higher than neighboring state. Reliable power, at lower cost, will increase our competitiveness in the market as well as add significantly to the bottom line. We have received environment clearance and now are finalizing the plant and machinery for 30 MW capacity power plant and 1.4 MW solar power plant.

As a part of our forward integration plans, we are studying and evaluating entry strategy into HOME TEXTILE segment which is growing at CAGR of 10-12%. Home textiles cover a wide range of products like bed linen, table linen, bath linen, curtains and draperies, upholstery, carpets, personal hygiene stuff. Polyester filaments usage in these products has gained wide acceptance and is growing rapidly due to its versatility and affordable cost.

We are equally focused on evaluation of utilizing polyester waste, making it "Recycled Filament". There are acute global concerns about waste disposal of synthetic polymers. Polyester has the advantage of being recycled and there are many plants

operating on PET bottles as the key raw material. Experimental trials have shown promise and lab scale viability for recycling polyester textiles, in all its forms, be it apparel or home textile. Recycling of polyester will help reduce carbon footprint.

We continue our efforts to shape up our people. To quote Reid Hoffman **"No matter how brilliant your mind or strategy, if you're playing a solo game, you'll lose out to a Team"**.

"Team building" internally and "Customer Satisfaction" in the market are the two key focus areas as we expand our business frontiers

The company values its "Human Resources" as one of the most important factors for its success.

The company, despite intense competition, manages to maintain an edge over its competitors due to consistent product quality, a complete range of product offering in all types of filaments POY, DTY and FDY. Over the years, Filatex now has become ONE STOP SHOP, catering to wide range of domestic and international customers.

With continued support and co-operation of long-standing customers, dedicated employees, partners, supportive bankers and other business associates, we remain committed to most of the future and our efforts will be dedicated to sustain the strengths of Indian Textile sector.

Finally, and most importantly, on behalf of the Filatex Board, I express my gratitude to you, our valued shareholders, for your continuous support and encouragement.

"We are studying and evaluating entry strategy into Home Textile segment. Polyester filaments usage in these products has gained wide acceptance and is growing rapidly due to its versatility and affordable cost."

BOARD OF DIRECTORS



MADHU SUDHAN BHAGERIA

Chairman & Managing Director (Promoter)

- Gold-medalist Commerce graduate from the reputed Shri Ram College of Commerce, Delhi University
- 36 years of rich experience in Polyester industry
- Director in various other companies
- President of PTA Users Association
- Chairman of Company's CSR Committee and member of Audit Committee and Nomination & Remuneration Committee



PURRSHOTTAM BHAGGERIA

Joint Managing Director (Promoter)

- M.B.A., S.C. Johnson Graduates School of Management, Cornell University, USA – 1985, Major: Finance, Graduated with distinction
- Honorary Consul of the Republic of Moldova in the Republic of India since 2011
- Treasurer, hony. Consular Corps diplomatique (hCCd) – India since November 2012 (an all India body of all the Honorary Consuls in India)
- Chairman of International Affairs Committee – Asia Pacific & Europe, Phd Chamber of Commerce and Industry
- Member of FIICI



MADHAV BHAGERIA

Joint Managing Director (Promoter)

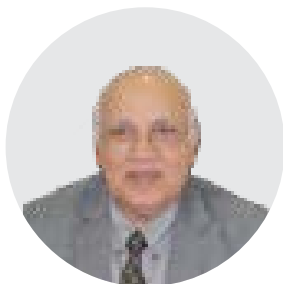
- Commerce graduate from Hindu College, Delhi University
- Looks after plant operations and marketing functions of the company based at Surat & Mumbai.
- Promoter director of Tapti Valley Education Foundation which is an international School in Surat.
- Directors in various other companies
- Member of Company's CSR Committee



ASHOK CHAUHAN

Executive Director

- B.E. (Mech) and master degree in Business Administration.
- Awarded Gold medal for the best student of the college of 1968-1973 batch and also received Best Sportsman award in college
- Vast experience in marketing, project management, general and overall operation, corporate planning, risk evaluation & business investment strategies
- 45 years of experience in diverse industry segments like Pulp & Paper, Chemicals, Engineering Consultancy, Polyester Film, PET Filament, Hydro Power Plants, Solar/ Wind / Renewable Energy, Real Estate Development & Construction, etc.



SURAJ PRAKASH SETIA

(Independent Director)

- Textile Technologist year of graduation 1962.
- Rich experience in textile industry and providing consultancy to textile industry since 1982
- Chairman of Company's Stakeholders relationship Committee
- Member of Company's audit Committee and nomination & remuneration Committee
- Directors in various other Companies



SWARUP CHANDRA PARIJA

(Independent Director)

- Masters degree in Political Science from Allahabad University and a MSc in Fiscal Studies from University of Bath (U.K.)
- Executive member of International Fiscal Association, India
- Served as a Chairman of Income-Tax Settlement Commission and as Chief of Administration and Finance of All India Institute of Medical Sciences.
- 38 years of services with the Government of India and served as the Director of Income-tax Investigation, Chief Commissioner of Income-tax and Director General of Income-tax Investigation.
- Chairman of Company's Audit Committee and Nomination & Remuneration Committee
- Member of Company's Stakeholders Relationship Committee
- Independent director of Board of ARSS Infra Projects Ltd. and Chairman of Audit Committee and Nomination & Remuneration Committee thereof



BRIJ BIHARI TANDON

(Independent Director)

- ret'd. IAS Officer and former Chief Election Commissioner of India
- M.A.. (PG in economics) and LLB from the University of Delhi. CAIIB (Associate Certificate of the Indian Institute of Bankers)
- Served as Secretary to the Government of India in various key ministries / departments
- Secretary to the Govt. of Himachal Pradesh in various key departments like industry, Power, Mining etc. and as Chairman of the Himachal Pradesh Electricity Board
- Served as member of the Securities & Exchange Board of India as special invitee.
- Independent director in various other renowned companies
- Member of Company's Audit Committee, CSR Committee and Nomination & Remuneration Committee



PALLAVI JOSHI BAKHRUI

(Independent Director)

- Has more than 27 years of post- qualification experience in the field of taxation. Her area of expertise includes inbound and outbound structuring advisory (including regulatory compliance) for both Indian and overseas investors.
- She is a fellow member of the Institute of Chartered Accountants of India
- She is a member of The International Fiscal Association – (India Branch)
- She is a Charter member with Tie – Delhi Chapter.
- Member of Company's Audit Committee, CSR Committee and Nomination & Remuneration Committee

AWARDS AND ACCOLADES



FORTUNE NEXT 500 AWARD, 2018



FORTUNE NEXT 500 AWARD, 2019



APEA AWARD - CORPORATE
EXCELLENCE



BEST COMPANY OF THE YEAR
AWARD - POLYESTER FILAMENT
YARN MANUFACTURING



ISO - 9001 : 2015



ISO - 14001 : 2015

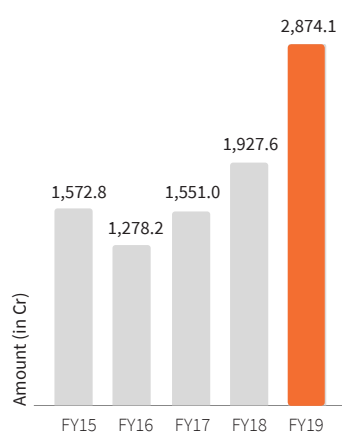


ISO - 18001 : 2007

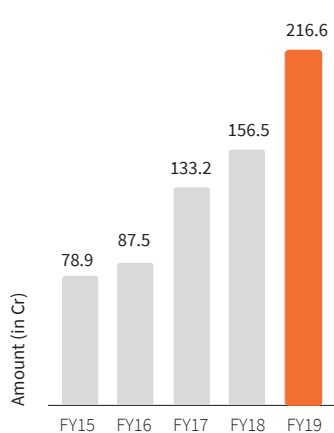


OEKO - TEX CERTIFICATE

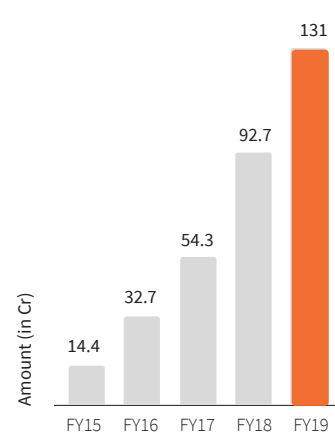
FINANCIAL HIGHLIGHTS



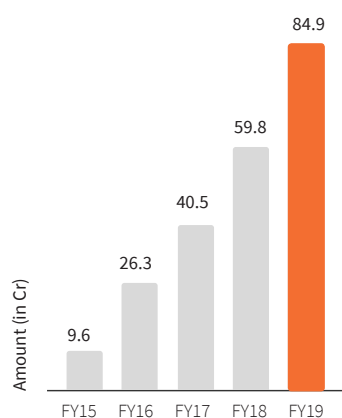
Revenue from Operations



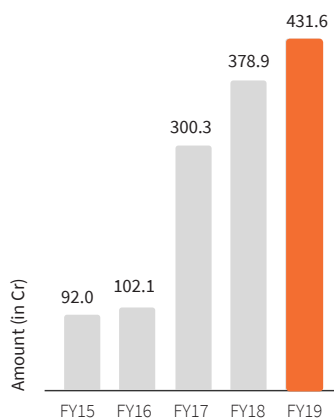
EBITDA



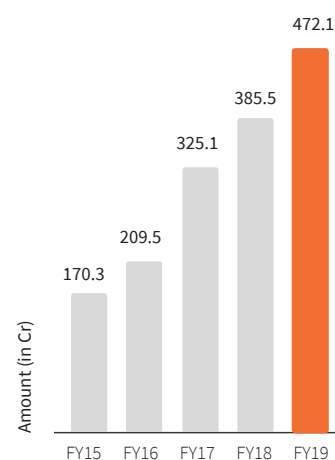
PBT



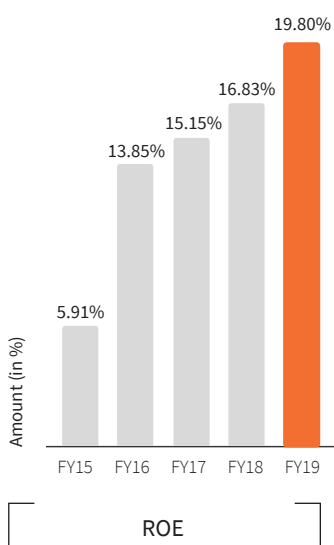
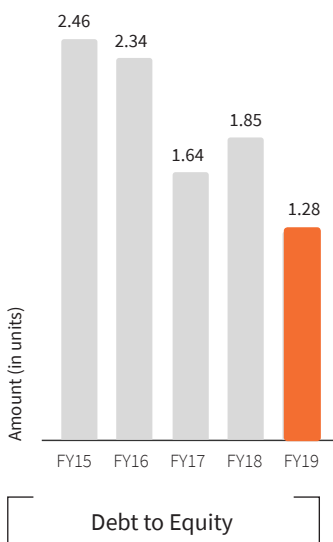
PAT



Exports



Net Worth



Credit Rating
BWR A-
 on Long Term Bank Facilities

4 year CAGR:

Revenue from Operations

16.3%

EBITDA

28.8%

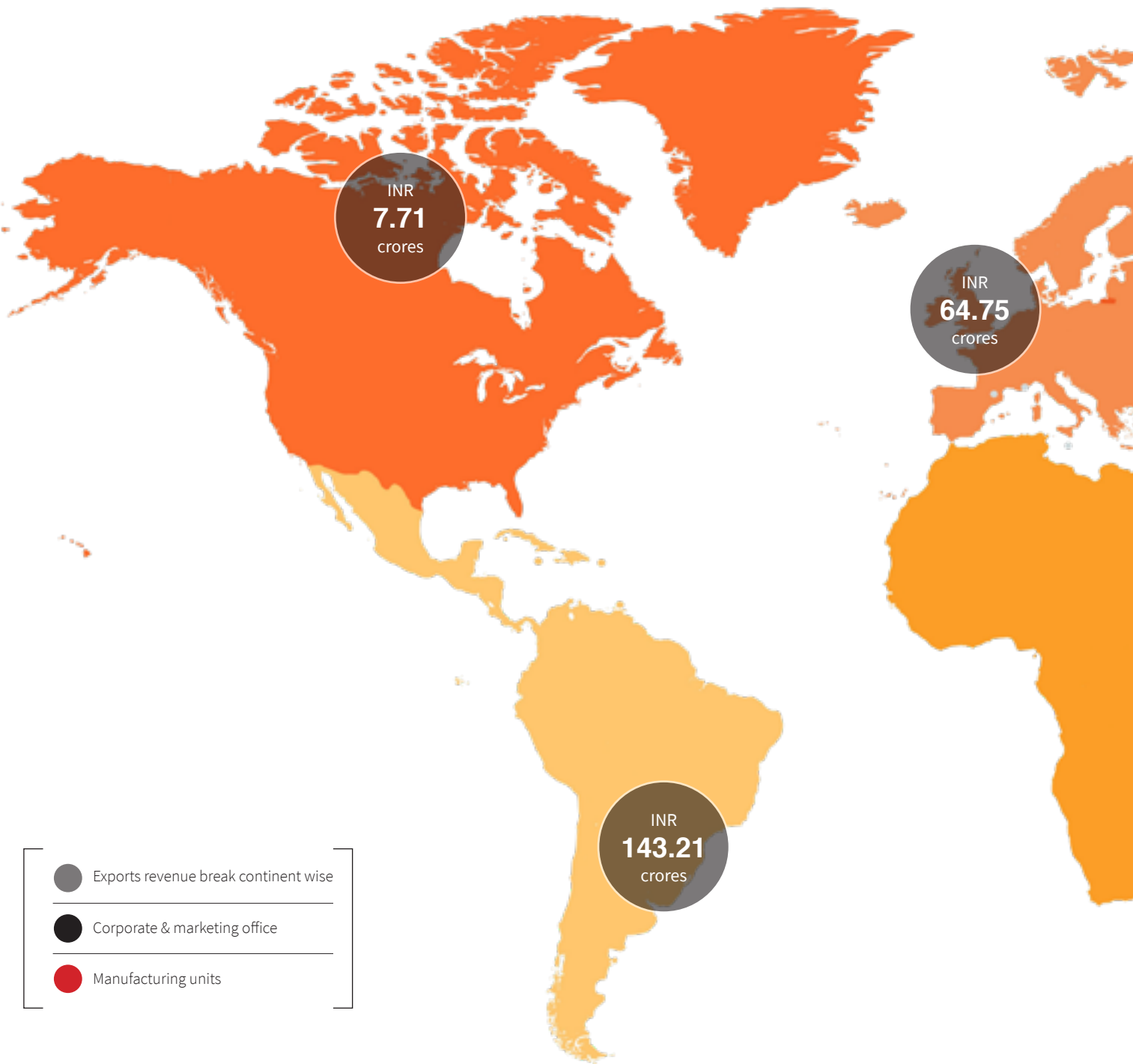
PAT

72.4%

Standalone



MAKING A MARK GLOBALLY



Exports revenue break continent wise

Corporate & marketing office

Manufacturing units

Asia

Uzbekistan
Nepal
Bangladesh
Sri Lanka
Thailand
Vietnam
Indonesia
South Korea
Iran
UAE

Europe

Turkey
Azerbaijan
Georgia
Belarus
Latvia
Germany
United Kingdom
Czech Republic
Poland
Croatia

Slovenia
Italy
Spain
Portugal
Turkey
Greece

Africa

Tunisia
Egypt
Algeria
Morocco
Kenya
South Africa

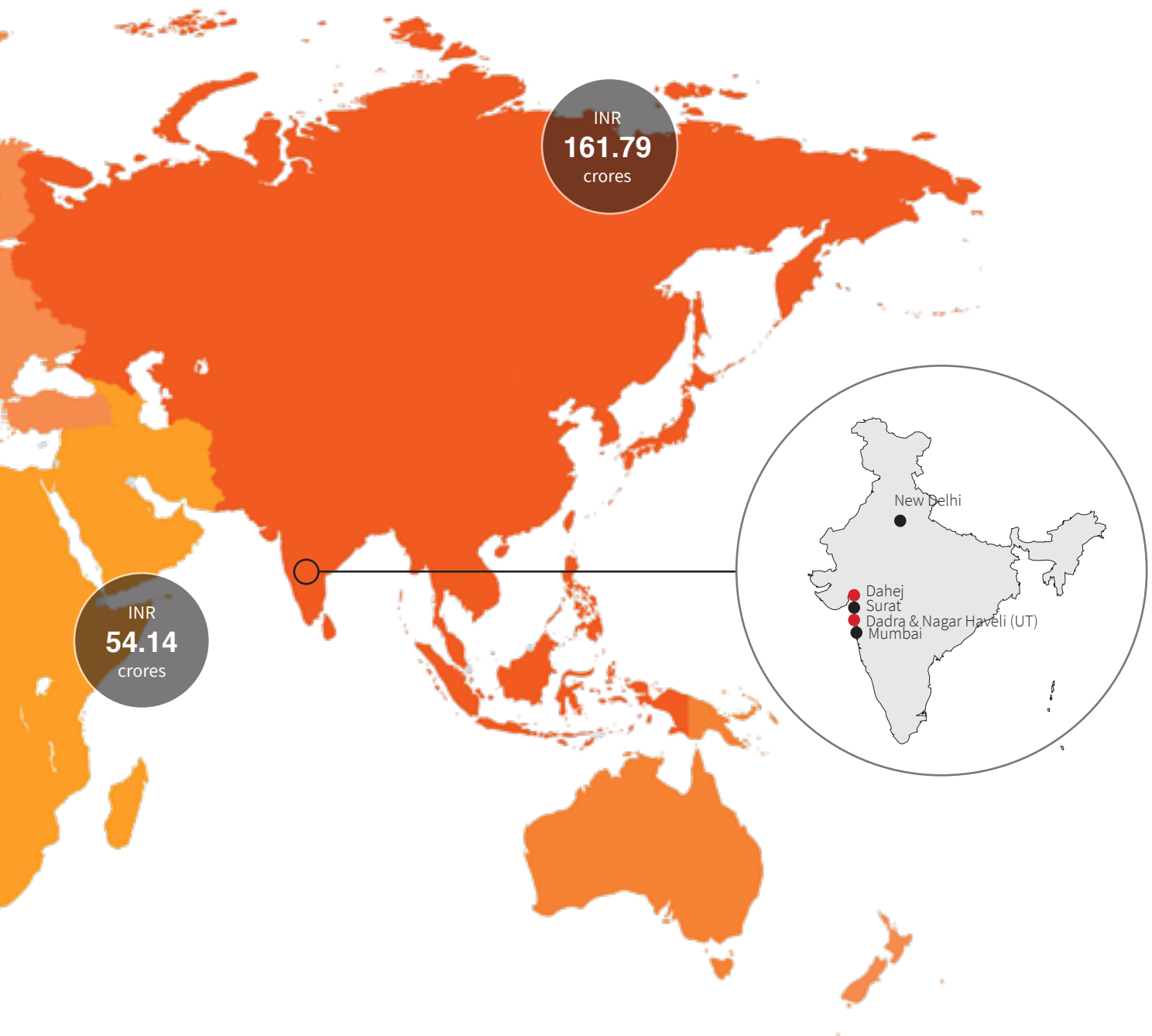
South America

Columbia
Ecuador
Peru
Brazil
Chile
Argentina

North America

Canada
United States
Mexico
Dominican Republic

Countries we export to



FILATEX AND POLYESTER

We believe that polyester will be fibre of the future. Filatex has focused its **future growth plans on polyester filament yarns.**

01

Affordable pricing

02

Highly durable

03

Easy wash ability

04

High colour retention

05

Abrasion & mildew resistant

06

Wrinkle resilient

07

Blends with other fibres

08

Faster dryness

09

Stain resistant

10

Resistant to stretching & shrinking

END-USER INDUSTRIES

Women Wear and Inner Wear

Seam softness is critical in these garments. The textured Micro Denier has met the expected requirements and is being used in Lingerie, Performance garments – Activewear, Yoga wear, low shrinkage to ensure no seam distortion after washing & soft feel make these yarns ideal choice.

Apparel

Polyester Filament Yarns are extensively used in apparel – Trousers, Shirts, Suitings & Sarees. PFY is a high strength filament that can withstand repetitive movements. Colour

Fastness of Polyester Fiber is excellent. Other properties like being wear resistant, water resistant, wrinkle resistant and hydrophobic properties make it ideal for all kinds of apparel.

Home Textiles & Furnishings

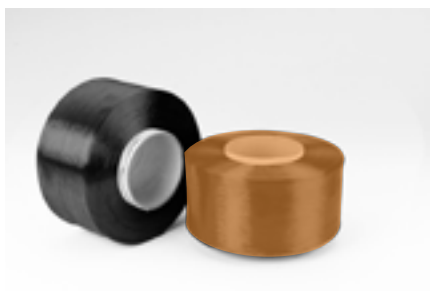
Polyester Filament Yarn is also used for Home Furnishings, Fashion Fabrics, Terry Towels, Bed Sheets, Curtains, and Carpets. Other growing applications are Upholstery Fabrics. Properties such as stain resistance make it ideal for carpets.

Athleisure

The preferred material for sportswear is Polyester Yarn. Sports leisure clothing require a fabric that's not only strong & durable but also abrasion resistant. Ease of washing & corrosion resistance makes them easy to maintain with long usage life.

Industrial

Polyester finds application in a lot of industrial uses, owing to its strength and durability over natural fibres. It is used in the manufacturing of high strength ropes, threads, hoses, sails, power belting and much more.



OUR PRODUCT PORTFOLIO

Polyester Chips

PET (polyethylene terephthalate) chips are produced by granulizing polyester formed in a polycondensation reaction of pure terephthalic acid and monoethylene glycol. They are an industrial intermediate product used to manufacture Polyester yarns. PET Chips used in Textile Industry are also known as Fibre grade PET chips, filament grade PET chips or textile grade PET chips. Textile grade PET Chips are used for making Polyester Filament yarn like POY, FDY and Staple fibre used widely in the Textile industry.

Polyester Partially Oriented Yarns (POY)

Partially oriented yarn is produced from the melting and extrusion (melt spinning) of the polyester chip or melt. During the spinning process, the filaments are stretched or drawn as much as five times their original size to orient the polymer to meet the desired evenness, strength, shrinkage, and elongation properties. The term partially oriented yarn refers to multi-filament that is only partially stretched. POY has to be texturised to make textured yarn and can also be used in draw warping for weaving and warp knitting of fabrics.

Drawn Textured Yarn (DTY)

Produced by drawing & heating POY through a texturing process. It is used for manufacturing fabrics. Polyester DTY yarn is a continuous filament yarn that has been processed to introduce durable crimps, twists, interlaces, loops or other fine distortions along the lengths of the filament. Polyester DTY yarn can also be obtained in various colors by the dope dyed technology or by conventional dyeing. DTY is suitable for fabric end uses like outer/inner garments, skin-clinging garments, furnishings, upholstery, etc. This is a replacement of cotton and cotton blend yarns with very low moisture content.

Fully Drawn Yarns (FDY)

Fully Drawn Yarn (FDY) is produced by a process similar to POY manufacturing except

that the yarn is produced at higher spinning speeds coupled with intermediate drawing integrated into the process itself. FDY is mainly used as weft or weaves in making fabrics. FDY can be knitted or woven with any other filament yarn to get fabric of different varieties. Fully drawn polyester filament yarn is directly used for producing all kinds of fabrics especially for children and ladies.

Polypropylene Multifilament Crimp Yarns (PPY)

PP Yarn is extruded in Denier range 100 to 300 in various filament combinations and further Texturized on Draw Texturizing machines. PPY has low moistening characteristics which make it very easy to clean. The specific gravity of PPY is 0.91, which is lower than Nylon or Polyester. So under the same weight conditions, one gets more length of PP yarns compared to Nylon or Polyester yarns. PPY is used in the stitching of Socks, Under Garments, Sports Wear, Woven Sacks, Geo Textiles, Sofa Sets, Safety Belts, Sewing Thread and Rope.

Narrow Woven Fabric (NWF)

Narrow fabrics are non-elastic woven textile having a width of 12 inches or less and a woven selvage on either side. They are small strips of fabric, often designed for a specific and practical purpose. NWF comes in different varieties such as satin cord, fancy cord, and tape, all types of zipper tapes, mattress tape, leashes, elastic tape, ribbon, plain and fancy belts. NWF was initially used in the garment industry on hats, corsets, and lingerie, and in military uniforms as well. Nowadays soldiers will also find narrow fabrics in their pack webbing and parachutes as well as their waist belts, helmets, and body armour. NWF can be seen in everyday objects in our lives, from the seat belts in our car, to the leash used to walk our dog, to the tough fabric edging on our mattress.



MANAGEMENT DISCUSSION & ANALYSIS





Global Economy

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies. Global growth is now projected to slow from 3.6 percent in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020. (IMF Report April 19). The slowdown occurred in 2018 amid an increase in trade tensions and tariff hikes between the United States and China.

A common influence on sentiment across advanced and emerging markets and developing economies has been high uncertainty in the wake of policy actions and difficulties in reaching agreement on contentious issues including Brexit negotiations, discussions over the Italian budget, changes in Mexican policy direction under the new administration, the US federal government shutdown, and US policy on Iran.

Weak expectations of future activity point to a continuation of the slow momentum this

year. The World Bank in its "Global Economic Prospects" report has presented a somewhat dismal outlook for the global economy.

Indian Economy

In spite of slowdown and subdued global growth, the Indian economy stood out for its growth promise. With a growth projection of 7.5% per annum in GDP over the next three years, India is expected to retain its tag as the fastest growing economy in the world.

The World Bank has attributed this growth to an increase in domestic consumption and investment. Private consumption and investment will benefit from strengthening credit growth amid more accommodative monetary policy, with inflation having fallen below the Reserve Bank of India's target. However, the contribution of exports to economic activity is expected to remain weak with moderate global trade growth. The government, in its budget, is projecting an overall economy of \$5 trillion.

Going ahead, the economy will remain robust despite temporary setbacks and

bold measures will be needed to boost the investment environment and to trigger demand growth to the next level. As heartening as it is to be the fifth largest economy, India is also poised to be the most populous country. Government policies have to address the need for food, water, energy, education, health and livelihood for such a large population.

Employment opportunities have to be created for the 10-12 million people who join the workforce every year. Adding to the challenges is shortage of water, climate change & socio-economic stability.

Global Textile Industry

The global textile and apparel industry is continuously evolving. Over the years, it has witnessed multiple shifts in consumption and production patterns, including shifts in geographical manufacturing hubs, as the industry is labour intensive. Today, China is the dominant player in the global textile trade with India a distant second. This, however, is likely to change owing to increasing labour and

production cost in China, offering a wide opportunity to countries like India, Vietnam, and Bangladesh.

The global textile market size is projected to cross the USD 1 trillion mark by 2025 expanding at a CAGR of 4.24%. Demand is likely to maintain an increasing trend on account of various factors like population growth, rising disposable income levels, and rapid urbanization in developing countries like China, India, South East Asia and Mexico.

Indian Textile Industry

The textile industry is one of the oldest industries of the Indian economy. The industry is labour intensive and continues to be the second-largest employer (after the agricultural sector) in the country. It employs more than 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 2% to India's Gross Domestic Product (GDP), 7% of industrial output (in value terms), 27% of the country's foreign exchange inflows and 15% of country's export earnings.

The textiles and apparels industry in India is valued at around \$127 billion in size. In India, the sector enjoys the presence of the entire value chain—from fibre, yarn, fabric and apparel—apart from the availability of cheap and abundant labour. However, in spite of these benefits, India's share in the global textiles exports is just 5%, which is minuscule as compared to China's share of 38%. Much smaller players like Bangladesh and Vietnam have a share of 3% in global exports and are increasingly threatening India's exports.

The government is trying to create a level playing field for the domestic industry by increasing import duty on several textile items being dumped into the country. The government has also come up with a number of export promotion policies for the textiles sector. It has allowed 100 per cent FDI in the Indian textiles sector under the automatic route. The Union Ministry of Textiles, Government of India, along with Energy Efficiency Services Ltd (EESL), has launched a technology upgradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the power loom sector of India. The Textile Ministry of India earmarked Rs 5,831.48 crore (US\$

830 million) for the textile industry. (Union Budget 2019-20)

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as global demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

Polyester Industry Outlook

Presently the growth in textile fibres continues to be driven primarily by manmade fibres as natural fibres have reached a saturation point and have a lot of constraints in the growth due to limitations of resources like arable land, water and also cost of natural fibres is higher in comparison to man-made fibres (MMF).

The domestic man-made fibre (MMF) industry mainly comprises two components i.e., polyester and viscose, which together accounts for about 94% of the total volume. Under this, polyester accounts for about 77.5% while viscose accounts for the remaining share. MMF is primarily used to produce fabrics, which are in turn used in apparel, readymade garments, home textiles and other industrial textiles.

Polyester has become the most preferred fibre in the textiles industry due to its better physical properties, lower price, versatility, and recyclability, which offer a completely unique set of benefits unmatched by any other natural or synthetic fibres. Polyester fibre has been segmented into apparel, home furnishing, automotive, construction, filtration, and personal care and hygiene applications.

The future growth in textile fibres will be led by polyester due to its properties which are quite akin to natural fibres along with its cost effectiveness. There is no second thought that polyester has gradually become the common man's fibre. The global demand for polyester fibre is growing around 4%, which implies there will be increase in demand by 3 million tons annually at the global level.

Robust economy

Going ahead, the economy will remain robust despite temporary setbacks and bold measures will be needed to boost the investment environment and to trigger demand growth to the next level.

Dominant player

Today, China is the dominant player in the global textile trade with India a distant second. This, however, is likely to change owing to increasing labour and production cost in China, offering a wide opportunity to countries like India, Vietnam, and Bangladesh.

Import duty

The government is trying to create a level playing field for the domestic industry by increasing import duty on several textile items being dumped into the country. The government has also come up with several export promotion policies for the textile sector.

5,831.48 crore

The Textile Ministry of India earmarked Rs 5,831.48 crore (US\$ 830 million) for the textile industry. (Union Budget 2019-20)

Most preferred fibre

Polyester has become the most preferred fibre in the textile industry due to its better physical properties, lower price, versatility, and recyclability, which offer a completely unique set of benefits unmatched by any other natural or synthetic fibres.



COMPANY OVERVIEW

FILATEX INDIA LIMITED

Among the top 5 Polyester Filament Yarns manufacturers in India.

With a foray into manufacturing in 1994, Filatex India Limited has become one of the leading manufacturers of Polyester multi filament yarns in India today. The company has manufacturing facilities at Dahej (Gujarat) & Dadra (Union Territory of D&NH). The plant at Dahej is an integrated spinning facility with continuous polymerisation.

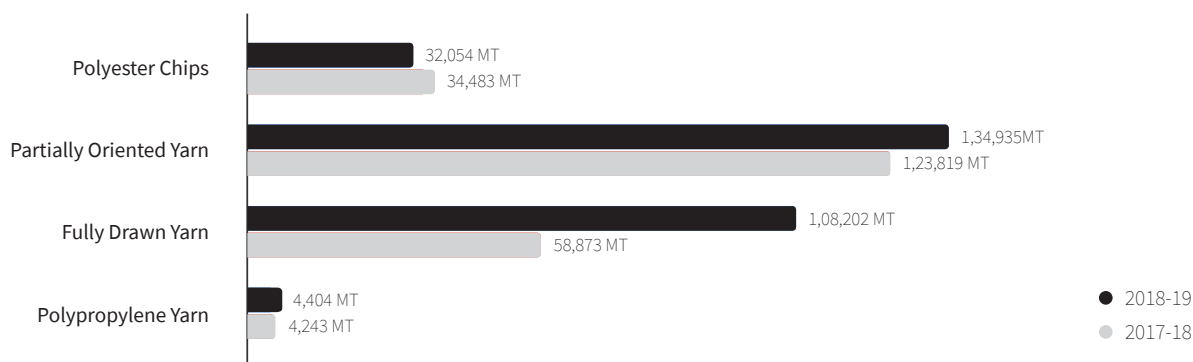
PRODUCTION CAPACITIES OF THE PRODUCTS (POST EXPANSION)

Products	Quantity (MTs)	% of Total Capacity
Polyester Chips – Semi Dull	28,800	7.5%
Polyester Chips – Bright	23,000	6.0%
Polyester Partially Oriented Yarn (POY) – Semi Dull	39,600	10.3%
Polyester Partially Oriented Yarn (POY) – Bright	16,200	4.2%
Polyester Textured Yarn (DTY) – Semi Dull	1,42,800	37.3%
Polypropylene DTY – Semi Dull	4,000	1.0%
Polypropylene POY – Semi Dull	1,000	0.3%
Polyester Fully Drawn Yarn (FDY) – Semi Dull	50,400	13.2%
Polyester Fully Drawn Yarn (FDY) – Bright	74,800	19.5%
Narrow Woven Fabric (NWF)	2,400	0.6%
Total	3,83,000	100.0%

PRODUCTION PERFORMANCE

The company's POY & FDY lines were run at almost 100% capacity. DTY lines have achieved 90% capacity utilization;

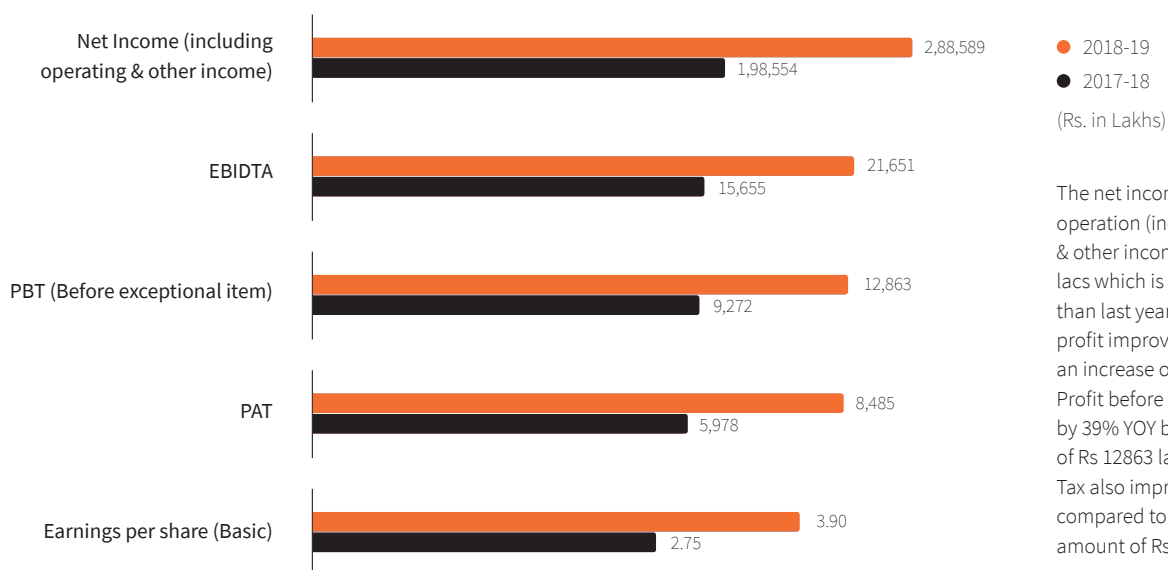
and a major part of DTY production is being exported. The demand for POY in the domestic market was good and a judicious product mix was kept to service both the domestic and export market.



FINANCIAL PERFORMANCE FY18-19

The performance during the year was good on account of factors like increase in production due to expansion completed in Q4 FY17 (introduction of bright polymer).

The performance in the third quarter (Q2) was affected by the sudden fluctuation in raw material prices which led to a decrease in demand for textiles across the value chain.



The net income from business operation (including operating & other income) was Rs 288589 lacs which is around 45% more than last year. The operating profit improved to Rs 21651 lacs, an increase of 38% YoY basis. Profit before tax also improved by 39% YOY basis, to an amount of Rs 12863 lacs. Profit after Tax also improved by 42% as compared to last year, to an amount of Rs 8485 lacs.

*EBITDA does not include other income and exceptional items
#Data is on standalone basis

QUARTERLY PERFORMANCE, FY18-19

Particulars	Q1	Q2	Q3	Q4
Production (MTs)	69,739	73,362	64,923	71,571
Sales (MTs)	72,010	67,446	69,873	72,528
Net Income (including operating & other income)	70,564	72,035	74,895	71,095
EBITDA*	5,681	6,484	3,974	5,512
PBT (before exceptional item)	3,104	2,843	2,552	4,364
PAT	2,016	2,025	1,632	2,812
*Does not include Other Income and Exceptional Items				

KEY FINANCIAL RATIOS

Ratios	FY 2018-19	FY 2017-18	Change (%)
Debtor Turnover Ratio (in days)	18	35	48.6%
Inventory Turnover Ratio (in days)	23	32	28.1%
Interest Coverage Ratio*	3.14	2.85	10.2%
Current Ratio	1.08	1.09	0.9%
Debt Equity Ratio	1.28	1.85	30.8%
Operating margin Ratio*(%)	7.53	7.93	5.0%
Net Profit Margin (%)	2.95	3.03	2.6%
Return on Net Worth (%)	19.80	16.83	17.64%
*EBITDA and EBIT for calculation of these ratios does not include other income and exceptional items			

Debt Turnover Ratio

The company decided to decrease the credit period to its customers due to slightly higher demand for its products in the market. This led to an improvement of Debtor Turnover ratio from 35 days to 18 days.

Inventory Turnover Ratio

The two basic raw materials viz. PTA & MEG are purchased from both domestic and foreign suppliers. This year the company decreased its imports and purchased a majority from domestic players. This allowed

the company to maintain less stock as lead time decreased. Therefore, holding levels were lower as compared to previous year and Inventory Turnover ratio improved from 32 days to 23 days.

Debt Equity Ratio

The company with better financial discipline has reduced its Long term and Short term borrowings in current year. Also, it has been able to retain its earnings for deploying the same in long term uses -which led to increase in net worth ultimately reducing Debt Equity for FY 2018-19.

Return on Net Worth

The company improved its PAT and PAT % by adding more value added products. PAT was retained for long term uses which improved the company's net worth and led to an increase in return on net worth from 15.51% to 17.97%.

OVERALL PERFORMANCE

In spite of short-term disruptions, the overall performance of the company improved. The operating profit increased by Rs 5996 lacs, gain of 38% YoY basis. This was achieved primarily by improving the product range. Bright polymer and DTY has opened up access to a larger market, spread all over the country & abroad. The company has achieved exports of 42842 MT (including

deemed exports) of polyester products. Now, with view of increased product range our products are established in international markets and we have existence to 42 countries across the globe. Our export on account of polyester yarns has increased to Rs 43160 lacs (including Deemed export) in F.Y. 2018-19 as against Rs. 37887 lacs in 2017-18 which is 11.40% higher than last year.

GROWTH PLAN

The company is in the process of increasing its spinning capacity for POY at the Dahej plant, by de-bottlenecking the current manufacturing setup.

This will help increase the plant's capacity to manufacture additional value-added products like DTY.

With new texturizing machines coming in, exports of the company have possibilities to increase. **Overall margins of the company are likely to improve on account of DTY, being a high-demand product globally.**

As the energy requirement of the company is quite high, the company has been evaluating the option of putting a captive power plant. After reviewing various options for sizing the plant and discussions with energy

consultants, the company has decided to put up a 30 MW captive power plant as an appropriate capacity.

As a part of company's statutory obligations in respect to renewable power, we are also planning to setup Roof-top Power plants of 1 MW at Dahej and 400 KW at Dadra. The cost of energy at Dahej, Gujarat is much higher than the neighbouring states. To be competitive, company's decision to set up a captive power plant will reduce the cost of energy and its benefit will be seen as a quantum jump in the bottom line.

SWOT

Strengths

- » Management team has rich experience in marketing & manufacturing of Polyester Filament Yarn
- » Amongst India's top 5 key players in Polyester Filament Manufacturers
- » Favourable location of plants, in proximity to major consumption centres, ports & suppliers of raw material
- » Established systems for process and plant management, accredited for ISO, OEKO-TEX and 3 Star Export House Status
- » Complete product basket with offerings from bright to semi-dull, coarse to fine, in all types of filaments - POY, DTY, and FDY
- » Positive long-term relationships with dealers & customers

Weaknesses

- » Competitive landscape in India
- » Commodity nature of product portfolio
- » Low bargaining power against large suppliers of key raw materials
- » High price of PTA in the domestic market due to anti-dumping duty

Opportunities

- » Commodity fibres to functional fibres
- » Forward Integration into fabrics, moving from B2B to B2C
- » Captive Power Plant
- » Rich product basket enhancing focus on Exports

Threats

- » Global Political Unrest affecting Trade
- » Cheaper Imports from neighbouring countries enjoying free trade

BUSINESS RISKS ASSESSMENT & MINIMIZATION PROCEDURE

Business operations being a continuous activity, risks are an integral part and even well-thought decisions can have uncertain outcomes that can impact the enterprise's performance and prospects. A comprehensive risk management process is therefore essential for survival in today's competitive business world and more so with rising globalization, we continuously evolve our risk management system. From the overall perspective, the business operations can have risks arising out of fiscal policies, political upheavals, demand for the product, input costs, global competition, interest rates, exchange rate fluctuation, etc. The company perceives the following risks as significant.

1. After introduction of GST and its various revisions, rate of GST on our key raw materials i.e. PTA & MEG is 18% whereas on our finished products, it is 12%. This inverted duty structure causes stress on working capital.
2. The cost of electricity has been increasing on account of various duties, taxes and

miscellaneous charges imposed from time to time in Gujarat. This is affecting the company's competitiveness in the international market.

3. The company's business process involves procurement of raw material through imports as well as domestic suppliers. However, the prices of such raw material are formula based on an international import parity basis, thus adverse exchange fluctuations may affect the profitability of the company.
4. Keeping in view the geopolitical tension, various international development agencies have predicted a slowdown in economic growth in 2019. This may affect the company's export and trade opportunities.

Minimization Procedure:

1. Several representations have been made to competent government agencies to review the duty structure for removing the abnormality of inverted duty.
2. Filatex management team & key executives work cohesively to track on daily

basis crude prices, key raw material prices, foreign exchange rates, shipping rates, etc. to minimize adverse impact due to changes in the external scenario.

3. The company is procuring a substantial quantity of PTA from domestic suppliers which have reduced exposure of the company to foreign exchange volatility, vagaries of shipment schedules and port congestion.

4. The company is continuously increasing its export which provides a natural hedge for foreign exchange risk against imports & repayments.

5. Sales & Marketing team manages the risk of supply & demand by constantly tracking market movements and keeps updating the product mix in line with the seasonal requirement.

6. The finance team monitors the cost of capital & keeps switching its loans to sources that have a lower interest rate.

7. Company is planning to set up a power plant at Dahej to decrease its electrical energy costs by a significant amount allowing it to be more competitive in both the domestic and global market.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The company recognizes its people as the most valuable resource. The company has formulated policies of nurturing talent of employees and ensuring that there is growth and their capabilities grow in relation to their responsibilities. The HR management takes into account the capability, commitment and sincerity while evaluating talent within the company. To retain talent company has offered ESOS to its senior employees. Second tranche of ESOS has been granted which also covers all good performers as well irrespective of their levels. As a welfare measure "Group Accident Insurance Scheme" has been introduced for all the employees.

Consistent and fair HR policies ensure that industrial relations continue to be peaceful and cordial and results in increasing in productivity and effectiveness. The Company aims at creating development

oriented approach for its employees by building systems, processes and focusing on recruitment of good quality manpower. Focus on transparent performance appraisal and productivity linked incentive schemes have resulted in motivated workforce and increased productivity. Another significant step for promotion or recruitment at senior level is carrying out temperament test and management aptitude test which helps in judging the soft skills which are necessary to steer the company's operation.

The company regularly conducts training programs to improve the skill sets & work capability of employees at various levels necessary for their growth. A great deal of emphasis is on creating succession plan for all key positions. This emphasis is extended to well qualified, young family members who are going through arduous training program in different facets of operations.



INTERNAL CONTROL SYSTEMS& THEIR ADEQUACY

Filatex has strong internal monitoring & control system to achieve efficiency of operations, processes and to safeguard the company's assets against any loss from unauthorized usage and ensure proper authorization of financial transactions. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Company has a 'Budgetary Control' system and actual performance is regularly monitored by the Management. It has well defined organization structure, authority matrix and internal guidelines and rules. The internal control system ensures that the financial and other records are reliable for preparing financial statements and maintaining proper records of assets.

The company continues to have an independent agency as the Internal Auditor to review "Operations & Systems" audit in accordance with the audit guidelines stipulated by the audit committee. The internal auditors, as part of their assignment, evaluate and assess the adequacy and effectiveness of internal control measures and compliance with general accounting principles & statutory requirements. The internal audit reports are discussed / reviewed by senior management and audit committee of the Board and on its recommendations appropriate actions are initiated to ensure full compliance.

STATUTORY COMPLIANCE

The Chairman & Managing Director and CFO, after obtaining confirmation from all the units of the company, make a declaration at each Board Meeting regarding the compliance to the provisions of various statutes.

The company secretary ensures compliances in accordance with Companies Act, SEBI regulations and provisions of the Listing Agreement.

FORWARD LOOKING STATEMENT

The Management of Filatex has prepared and is responsible for the financial statements that appear in this report. These statements are in conformity with the latest accounting principles generally accepted in India.

The statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. The management has made these statements based on its assessment, expectations, and projections about the future events.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include key raw materials availability and prices, cyclical demand of the products in the markets, changes in Government regulations, exchange rate fluctuations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors. The Management undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Statutory Report

Corporate Information

Board of Directors

Name	Designation	DIN
Mr. Madhu Sudhan Bhageria	Chairman & Managing Director	00021934
Mr. Purrshottam Bhaggeria	Joint Managing Director	00017938
Mr. Madhav Bhageria	Joint Managing Director	00021953
Mr. Ashok Chauhan	Executive Director	00253049
Mr. Brij Behari Tandon	Independent Director	00740511
Mr. Swarup Chandra Parija	Independent Director	00363608
Mr. Suraj Prakash Setia	Independent Director	00255049
Mrs. Pallavi Joshi Bakhru	Independent Director	01526618

CHIEF FINANCIAL OFFICER

Mr. Anil Dutt Mohla

COMPANY SECRETARY

Mr. Raman Kumar Jha

BANKERS

Union Bank of India

Punjab National Bank

Bank of Baroda

AUDITORS

Arun K Gupta & Associates

D-58, East of Kailash

New Delhi - 110 025

CORPORATE OFFICE

BHAGERIA HOUSE

43, Community Centre, New Friends Colony,

New Delhi - 110 025

Website: filatex.com

CIN: L17119DN1990PLC000091

REGISTERED OFFICE

S. No. 274, Demni Road,

Dadra - 396 191

(U.T. of Dadra & Nagar Haveli)

Ph: 260-2668343/8510

Fax: 260-2668344

Email: fildadra@filatex.com

WORKS

1. S. No. 274, Demni Road,

Dadra - 396 191

(U.T. of Dadra & Nagar Haveli)

2. Plot No. D-2/6, Jolva Village

PCPIR, Dahej-2 Industrial Estate

GIDC, Distt. Bharuch, Gujarat – 392 130

REGISTRAR & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited

F-65, Okhla Industrial Area,

Phase-I, New Delhi- 110020

Tel : 011-41406148

Fax : 011-41709881

Email: admin@mcsregistrars.com

Notice

NOTICE is hereby given that the 29th Annual General Meeting of the Members of FILATEX INDIA LIMITED will be held on Friday, 27th September, 2019 at 10.00 AM at the Registered Office of the Company at SURVEY NO.274, DEMNI ROAD, DADRA, (U.T. OF DADRA & NAGAR HAVELI)- 396 193 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:

(a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon.

(b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Auditors thereon

2. To appoint a Director in place of **Shri Ashok Chauhan** (DIN: 00253049), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION**:-

“RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013, the payment of Remuneration of ₹ 60,000 (Rupees Sixty Thousands) plus GST and out of pocket expense to **M/s Bahadur Murao & Co.**, a firm of Cost Auditors, (Firm Registration No. 000008), who were appointed by the Board of Directors in their Meeting held on 30th April, 2019 for conducting the audit of cost records of the Company for the financial year ending 31st March 2020, be and is hereby approved and ratified”.

4. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, **Shri Swarup Chandra Parija** (DIN: 00363608), who was appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting and who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company for a further period of five years from the conclusion of Company's 29th Annual General Meeting to the conclusion of Company's 34th Annual General Meeting.

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

5. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, **Shri Suraj Prakash Setia** (DIN: 00255049), who was appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting and who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company for a further period of five years from the conclusion of Company's 29th Annual General Meeting to the conclusion of Company's 34th Annual General Meeting.

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

6. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, **Smt. Pallavi Joshi Bakhru** (DIN: 01526618), who was appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting and who is eligible for re-appointment and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company for a further period of five years from the conclusion of Company's 29th Annual General Meeting to the conclusion of Company's 34th Annual General Meeting.

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

7. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, **Shri Brij Behari Tandon** (DIN: 00740511), who was appointed as an Independent Director of the Company for a period of five years w.e.f.13.02.2015 and who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company for a further period of five years w.e.f.13.02.2020.

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

8. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION:-**

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Members of the Company be and is hereby accorded to the re-appointment of **Shri Madhu Sudhan Bhageria** as Managing Director of the Company, designated as Chairman & Managing Director for a period of 3 years w.e.f. 30.07.2019 on the following terms and conditions: -

Salary: ₹ 4,70,000 - 50,000 - 5,70,000 per month

Commission payable

1% of Profits after tax of First Rs. 10 crore and additional 0.50% of Profits after tax exceeding Rs. 10 crore

Perquisites and Allowances:

In addition to the aforesaid salary and commission, Shri Madhu Sudhan Bhageria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical/personal accident/travel insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of Salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Madhu Sudhan Bhageria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on

remuneration specified in Section II and III of Part II of the Schedule V of the Companies Act, 2013:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company car and telephone at residence for official purposes.

Notice Period: Three Months

RESOLVED FURTHER THAT consent of the Members of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Madhu Sudhan Bhageria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto.”

9. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION:-**

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Members of the Company be and is hereby accorded to the re-appointment of **Shri Purshottam Bhaggeria** as Wholtime Director, designated as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2019 on the following terms and conditions:-

Salary: ₹ 4,10,000-50,000-5,10,000 per month

Commission payable

1% of Profits after tax of First Rs. 10 crore and additional 0.50% of Profits after tax exceeding Rs. 10 crore

Perquisites and Allowances:

In addition to the aforesaid salary and commission, Shri Purshottam Bhaggeria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical/

personal accident/travel insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Purrshottam Bhaggeria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified in Section II and III of Part II of the Schedule V of the Companies Act, 2013:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company car and telephone at residence for official purposes.

Notice Period: Three Months

RESOLVED FURTHER THAT consent of the Members of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Purrshottam Bhaggeria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board of the Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

10. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

"RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Board of Directors of the Company be and is hereby accorded to the re-appointment of **Shri Madhav Bhageria** as Wholtime Director, designated as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2019 subject to the approval of Members in the ensuing General Meeting on the following terms and conditions:-

Salary: ₹ 4,10,000-50,000-5,10,000 per month

Commission payable

1% of Profits after tax of First Rs. 10 crore and additional 0.50% of Profits after tax exceeding Rs. 10 crore

Perquisites and Allowances:

In addition to the aforesaid salary and commission, Shri Madhav Bhageria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical/ personal accident/travel insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Madhav Bhageria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified in Section II and III of Part II of the Schedule V of the Companies Act, 2013:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company car and telephone at residence for official purposes.

Notice Period: Three Months

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Madhav Bhageria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

11. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

Issuance of Equity Shares or Convertible Bonds/Debentures

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (“SEBI Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreements entered into by the Company with the stock exchanges where equity shares of the Company are listed, enabling provisions of the Memorandum and Articles of Association of the Company, the Depository Receipts Scheme, 2014, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, and any statutory modifications, re-enactments or amendments from time to time to the above mentioned regulations, rules and schemes and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities/ bodies, whether in India or abroad and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (“SEBI”), Government of India (“GoI”), Reserve Bank of India (“RBI”), Foreign Investment Promotion Board (“FIPB”), Department of Industrial Policy & Promotion (“DIPP”) and all other appropriate and / or competent authorities or bodies whether in India or abroad to the extent applicable and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred as “Board” which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution), consent of the Members of the Company be and is hereby accorded to offer, create, issue and allot including with provisions for reservation on firm and/ or competitive basis, of such part of the issue and for such categories of persons as may be permitted), with or without green shoe option, in one or more tranches, to investors whether Indian or Foreign, including Foreign Institutions, Qualified Institutional Buyers (“QIB”), Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, trusts, stabilizing agents or otherwise or any combination thereof, whether or not such investors are shareholders, promoters, directors or associates of the Company, through issue of equity shares of the Company (“Equity Shares”) and / or Global Depository Receipts (“GDRs”) and / or American Depository Receipts (“ADRs”) and / or Foreign Currency Convertible Bonds (“FCCB”) and/or fully convertible debentures and/or partly convertible debentures and/ or optionally convertible debentures and/ or non convertible debentures with warrants and/ or Debentures and/ or other securities convertible into equity shares at the option of the Company and/ or holder(s) of such securities, with or without voting/ special rights, or with or without detachable warrants with a right exercisable by the warrant holders to subscribe to the Equity Shares or otherwise (all of which are hereinafter collectively referred to as

“Securities”) or combination of Securities, at such time or times in one or more tranches, whether rupee denominated or denominated in foreign currency, by way of one or more public and/or private offerings and/or on preferential allotment basis including qualified institution placement or any combination thereof, at such price or prices, at market price or at a discount or premium to market price in terms of applicable regulations, to any eligible investors, including residents and/or non-residents and/or qualified institutional buyers and/or institutions/banks and/or incorporated bodies and/or individuals and/or trustees and/or stabilizing agents or otherwise, whether or not such investors are members of the Company (“Investors”), as may be deemed appropriate by the Board and as permitted under applicable laws and regulations, for an amount upto **Rs. 250 Crores Rupees Two Hundred Fifty Crores** in Indian Rupees or an equivalent amount in any foreign currency, as the Board may determine, where necessary in consultation with the Lead Managers, Merchant Bankers, Underwriters, Guarantors, Financial and other agencies, as required, and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed, so as to enable to list on any stock exchanges in India and / or on any of the overseas stock exchanges, wherever required and as may be permissible.”

“RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and / or in the market and / or at the place of issue of the Securities in the international market and may be governed by the applicable laws.”

“RESOLVED FURTHER THAT in the event of issue of GDRs / ADRs, the pricing shall be determined in compliance with principles and provisions set out in the Depository Receipts Scheme, 2014, the Foreign Exchange Management (Transfer or Issue of Securities by a person resident outside India) Regulations, 2000 and such other notifications, clarifications, guidelines, rules and regulations issued by relevant authorities (including any statutory modifications, amendments or re-enactments thereof).”

“RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, subject to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993, including any statutory modifications, re-enactments or amendments thereto from time to time and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of determining the floor price for conversion of the FCCBs into equity shares shall be the date of the meeting in which the Board or duly authorized committee of directors decides to open such issue after the date of this Resolution or such other date as may be prescribed under applicable law.”

“RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the pricing shall be determined in compliance with principles and provisions set out in the regulation 176 of Chapter VI of the SEBI Regulations and the Board may offer a discount of not more than 5% (five per cent) on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.”

“RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the relevant date for the purpose of the pricing of the Equity Shares shall be the meeting in which the Board decides to open the issue or such other date as may be prescribed under applicable law.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into any arrangement with any agencies or bodies for the issue of GDRs and / or ADRs represented by underlying equity shares in the share capital of the Company with such features and attributes as are prevalent in international / domestic capital markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices as per the domestic and / or international practice and regulations and under the norms and practices prevalent in the domestic / international capital markets and subject to applicable laws and regulations and the Articles of Association of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalization and approval of the offer documents(s), private placement offer letter, determining the form, proportion and manner of the issue, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings on one or more stock exchanges in India or abroad, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.”

“RESOLVED FURTHER THAT the Securities to be created, issued, allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Equity Shares so issued shall in all respects rank pari passu with the existing Equity Shares of the Company and shall be listed with the stock exchanges where the Company's existing equity shares are listed.”

PLACE : NEW DELHI

DATE : 2nd August, 2019

REGISTERED OFFICE:

Survey No.274, Demni Road,

Dadra (U.T. of Dadra & Nagar Haveli)

396 193 Phone no. 260-2668343/8510

Fax No.260-2668344

Email: fildadra@filatex.com

Website: filatex.com

CIN: L17119DN1990PLC000091

“RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognized stock exchange(s), to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised in consultation with the merchant banker(s), advisors and / or other intermediaries as may be appointed in relation to the issue of Securities to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilization of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of director(s) or any director(s)/ officer of the Company in such manner as they deem fit in their absolute discretion with the power to take such steps and do all such acts, deeds, matters and things as they deem fit and proper for the purposes of the issue.”

By Order of the Board of Directors
For **FILATEX INDIA LIMITED**

Raman Kumar Jha
Company Secretary

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. The blank proxy form, attendance slip & Map is enclosed. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

2. Explanatory statement pursuant to Section 102 of the Companies, 2013 in respect of Special Business under Item No(S). 3 to 11 of the Notice is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company shall be closed from 21st September, 2019 to 27th September, 2019 (both days inclusive) for ensuing Annual General Meeting.

4. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.

5. Members are requested to bring their copies of the Annual Report at the Annual General Meeting.

6. Members are requested to notify:

A) change of address, if any, with Pin Code, quoting reference of their folio number, to the Company.

B) members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant.

7. Members seeking any information with regard to Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.

8. Pursuant to Section 124(5) of the Companies Act, 2013, in respect of dividends unclaimed for more than seven years from the date of transfer in Unpaid Dividend Account, the Company has transferred an amount of Rs. 90,077 & Rs. 3,05,140 to the Investor Education and Protection Fund (IEPF) for the financial years 2009-10 & 2010-11 respectively. Further the Company has also transferred 62,012 and 4,16,415 shares in respect of dividends unpaid or unclaimed for more than seven years to IEPF Suspense Account for the financial years 2009-10 & 2010-11. The shares and dividend amount which had been transferred to IEPF, can be claimed from the IEPF Authority by following the procedures which are available on the Company's website www.filatex.com and on the IEPF Authority's website www.iepf.gov.in.

9. The Members who have not yet encashed dividend for the financial year 2011-12 are requested to write to the Company Secretary of the Company. The due date for transferring unclaimed dividend/shares for the financial year 2011-12 is first week of November 2019.

10. **New ISIN** is **INE816B01027** after Sub-division of Equity share of Rs. 10/- (Rupees Ten only) each into 5 (Five) equity shares of Rs. 2/- (Rupees Two only).

11. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities can be processed in dematerialized form w.e.f. 01.04.2019 with a depository except in case of transmission or transposition of securities. Members may also please also note that the shares of the Company are compulsorily traded only in Dematerialized form on Stock Exchanges. Shareholders, who have not yet dematerialized, are requested to have their shares dematerialized to avail the benefits of electronic form of trading.

12. In terms of SEBI circular, you are requested to provide copy of PAN card AND original cancelled cheque leaf/attested bank passbook showing your name as account holder.

13. All Documents referred to in the Notice and Explanatory Statement are open for inspection by the members at the Registered Office of the Company on any working day during office hours from 10.00 A.M. to 1.00 P.M. upto the date of the Meeting.

14. As a part of Green initiative in the Corporate Governance, the Ministry of Corporate Affairs (MCA) vide its circulars dated 21st and 29th April, 2011, permitted service of documents through electronic mode in place of physical mode to all the shareholders. Your Company is also keenly desiring to participate in such initiative and request all the shareholders **to update their email IDs with their Depositories (NSDL & CDSL) or send their email IDs alongwith DP ID/ Client ID to the Company to enable your Company to serve all future communication through email.** Keeping in view of the aforesaid initiative of MCA, your Company shall send the Annual Report, to its Members in electronics form, to the email address provided by them.

15. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time and SEBI Listing Regulation, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL):

The facility for voting through polling paper shall be made available at the AGM to the members attending the meeting, who have not cast their vote by remote e-voting, to enable them to exercise their right at the meeting.

The members, who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 24th September, 2018 (9:00 am) and ends on 26th September, 2019 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 21st September, 2019 may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The details of the process and manner for remote e-voting are as under:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.

c) How to retrieve your ‘initial password’?

(i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.

3. Select “EVEN” of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

6. Upon confirmation, the message “Vote cast successfully” will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to primekoss@hotmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e- voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact Ms. Pallavi Mhatre, Assistant Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email address: pallavid@nsdl.co.in/evoting@nsdl.co.in or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the email address: shares@filatex.com or contact at telephone no. 011-26312503.
16. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21.09.2019
17. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21.09.2019 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@mcsregistrars.com.
18. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e- voting as well as voting at the AGM through ballot paper.
19. Mr. K.O.Siddiqui, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner.
20. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
21. The Scrutinizer shall after the conclusion of voting at the meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
22. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to stock exchanges.
23. Other details required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secreterial Standard 2 in respect of directors retiring by rotation/ re-appointment of Shri Ashok Chauhan, Shri Swarup Chanda Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru, Shri Brij Behari Tandon, Shri Madhu Sudhan Bhageria, Shri Purshottam Bhageria and Shri Madhu Bhageria are given at the end of this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“ACT”)

Item No. 3

The Board, on the recommendation of the Audit Committee, in its meeting held on 30th April, 2019 has approved the appointment and remuneration of the Cost Auditors, **M/s Bahadur Murao & Co.**, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2020. In accordance with the provisions of Section 148 of the Companies Act, 2013, and rules made thereunder, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2020 as set out at Item No. 3 by passing an Ordinary Resolution.

Your Directors recommend passing of the Resolutions at Item No. 3 as an ORDINARY RESOLUTION.

None of the Directors of the Company, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in this resolution.

Item No(s). 4, 5, 6 & 7

Members, in their 24th Annual General Meeting held on 30th September, 2014, had appointed Shri Swarup Chandra Parija (DIN: 00363608), Shri Suraj Prakash Setia (DIN: 00255049) and Smt. Pallavi Joshi Bakhru (DIN: 01526618) as Independent Directors to hold office for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting.

Members, in their 25th Annual General Meeting held on 11th September, 2015, have appointed Shri Brij Behari Tandon (DIN: 00740511) as an Independent Directors to hold office for a period of five years w.e.f.13.02.2015.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Further, Regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandates that no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years, unless a Special Resolution is passed to that effect.

Details of Shri Swarup Chandra Parija (DIN: 00363608), Shri Suraj Prakash Setia (DIN: 00255049), Smt. Pallavi Joshi Bakhru (DIN: 01526618) and Shri Brij Behari Tandon (DIN: 00740511), Independent Directors are as under:

Name	Shri Swarup Chandra Parija	Shri Suraj Prakash Setia	Smt. Pallavi Joshi Bakhru	Shri Brij Behari Tandon
Date of Birth	03.03.1941	04.02.1942	16.09.1967	30.06.1941
Age (completed)	78 Years	77 Years	51 Years	78 Years
Date of Appointment	30.09.2014	30.09.2014	30.09.2014	13.02.2015
Date of Expiry of Term	For a period of five years from the conclusion of Company's 24 th Annual General Meeting to the conclusion of Company's 29 th Annual General Meeting			12.02.2020

The Company has received individual notices in writing from Members of the Company under the provisions of Section 160(1) of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, proposing the candidature of Shri Swarup Chandra Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru and Shri Brij Behari Tandon for the office of Directors of the Company.

The Company has received declarations from Shri Swarup Chandra Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru and Shri Brij Behari Tandon to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. They also confirmed that they have not been debarred from holding the office of Director by virtue of any SEBI order or of any other Authority

In the opinion of the Board, each of these Directors fulfil the conditions specified in the Act, Rules and SEBI Listing Regulations for re-appointment as Independent Director and they are independent of the management of the Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, the Board of Directors proposes the re-appointment of Shri Swarup Chandra Parija, Shri Suraj Prakash Setia and Smt. Pallavi Joshi Bakhru as Independent Director to hold office for a further period of five years from the conclusion of Company's 29th Annual General Meeting to the conclusion of Company's 34th Annual General Meeting. Further, the Board of Directors also proposes the re-appointment of Shri Brij Behari Tandon as Independent Director to hold office for a further period of five years w.e.f.13.02.2020. They shall not be liable to retire by rotation

Shri Swarup Chandra Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru and Shri Brij Behari Tandon actively participate in the meetings and have been making very valuable contribution during discussions at the meetings of the Board and its Committees Meetings. They are very regular and always on time for the Meetings of the Board and Committees Meetings.

The Board of Directors appreciated the contribution and expressed its deep satisfaction over the performance and the values relative to high standards of Corporate Governance insisted upon and brought to hear in the deliberations by all of them as Independent Directors of the Company

All above Directors are eminent personalities in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company. In view thereof, the Board recommends for approval of the members for the re-appointment of Shri Swarup Chandra Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru and Shri Brij Behari Tandon, Directors of the Company as Independent Directors of the Company as set out in the respective resolutions.

Your Directors recommend passing of the Resolutions at Item No(s). 4 to 7 as SPECIAL RESOLUTIONS.

None of the Directors except Shri Swarup Chandra Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru and Shri Brij Behari Tandon

and Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the respective Resolutions.

Item No(s). 8,9 &10

Shri Madhu Sudhan Bhageria, Chairman & Managing Director, Shri Purshottam Bhaggeria, Joint Managing Director & Shri Madhav Bhageria, Joint Managing Director were appointed for a period of three years w.e.f. 30.07.2016.

The Board of Directors on the recommendation of Nomination & Remuneration Committee, in their meeting held on 30th April, 2019 have approved the re-appointment of Shri Madhu Sudhan Bhageria as Managing Director designated as Chairman & Managing Director, Shri Purshottam Bhaggeria and Shri Madhav Bhageria as Wholetime Directors designated as Joint Managing Directors on the terms and conditions and remuneration as stated in the respective resolutions for a period of three years w.e.f. 30.07.2019.

In the event of loss or inadequacy of profits in any financial year, they shall be eligible to receive the said remuneration alongwith perquisites/benefits as minimum remuneration in accordance with Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof. As an abundant caution, the statements as required under Schedule V of the Companies Act, 2013 are given as under :

Statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the Resolutions at Item Nos. 8 to 10 is as under:

I	GENERAL INFORMATION			
(1)	Nature of Industry: The Company is engaged in manufacturing of Synthetic yarns viz polyester Partially Oriented Yarns (POY), polyester Filament yarns, Fully Drawn Yarns (FDY), Textured yarns, Polyester chips, Nylon filament yarns, Polypropylene Yarns and Narrow fabrics.			
(2)	Date or expected date of commencement of Commercial production: The Company was incorporated on 8 th August, 1990 as a Public Limited Company. The Company is already in operation after obtaining Certificate of Commencement of business on 5th September, 1990.			
(3)	In case of new companies, expected date of commencement of activities as per project approved financial institutions appearing in the prospectus: Not applicable			
(4)	Financial performance based on given indicators: (₹ in lacs)			
		2016-17	2017-18	2018-19
	Turnover (total revenue)	170927	197490	287410
	Profit/(Loss) before Tax	5521	9272	13110
	Net Profit/(Loss)	4120	6009	8496
	Paid up Share capital	4350	4350	4350
	Reserves and Surplus	24605	34200	42745
(5)	Foreign investments or collaborators, if any: None			
II	INFORMATION ABOUT THE APPOINTEES:			
	SHRI MADHU SUDHAN BHAGERIA			
(1)	Background details: Shri Madhu Sudhan Bhageria, Promoter & Managing Director, aged about 60 years, is commerce graduate from Shri Ram College of Commerce, University of Delhi. He is actively involved in the management of the company since its incorporation and has played a key role in its growth & developments and he has been the force behind the exponential growth of the Company. He is the president of PTA Users Association.			
(2)	Past Remuneration excluding retiral benefit: ₹ 89,59,842, ₹ 95,31,853 & ₹ 1,11,39,971 lacs for financial years 2016-17, 2017-18 & 2018-19 respectively			
(3)	Recognition or awards: Nil			

(4)	Job profile and his suitability: Shri Madhu Sudhan Bhageria, Promoter & Managing Director, looks after overall operations including Production, Modernization & Expansion of the Company under the supervision and control of the Board of Directors. He has more than 37 years of rich experience in polyester industry. In consideration of the performance of his duties as the Managing Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 30 th April, 2019 have approved his appointment and remuneration as set out in Item No. 8 of the Notice.
(5)	Remuneration proposed: Mentioned in Item No. 8 of the Notice.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : Proposed remuneration of Shri Madhu Sudhan Bhageria is comparable to that drawn by the similar senior level counter parts in other companies in the industry and is commensurate with the size of the Company, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered by him.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Besides the remuneration proposed, Shri Madhu Sudhan Bhageria, Managing Director, holds 1,93,11,799 Equity Shares of Rs. 2 each representing 8.88% of the paid up capital of the Company and is related to Shri Purshottam Bhaggeria & Shri Madhav Bhageria, Joint Managing Directors of the Company.
SHRI PURRSHOTTAM BHAGGERIA	
(1)	Background details: Shri Purshottam Bhaggeria, Promoter & Joint Managing Director, aged 58 years, is commerce graduate from Shri Ram College of Commerce, University of Delhi and Masters in Business Administration (1985) from S.C. Johnson Graduate School of Management, Cornell University, USA. He is Honorary Consul of Republic of Moldova in the Republic of India since 2011. He is the chairman of International Affairs Committee – Asia Pacific & Europe of PHD Chamber of Commerce & Industry and is also Treasurer of Honorary Consular Corps Diplomatique – India (HCCD-India), body of Honorary Consulates in India. He is also Directors in various other Companies.
(2)	Past Remuneration excluding retiral benefits: ₹ 80,94,339, ₹ 88,91,125 & ₹ 1,05,47,206 for financial years 2016-17, 2017-18 & 2018-19 respectively
(3)	Recognition or awards: FICAC Medal of Honour -2012
(4)	Job profile and his suitability: Shri Purshottam Bhaggeria is the Promoter & Joint Managing Director of the Company. He looks after finance, accounts, legal and secretarial department of the Company since its incorporation. He has rich experience of more than 26 years in these fields. In consideration of the performance of his duties as the Joint Managing Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 30 th April, 2019 have approved his appointment and remuneration as set out in Item No.9 of the Notice.
(5)	Remuneration proposed: Mentioned in Item No. 9 of the Notice
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Proposed remuneration of Shri Purshottam Bhaggeria is comparable to that drawn by similar senior level counter parts in other companies in the industry and is commensurate with the size of the Company, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered to him by the Board of Directors.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Besides the remuneration proposed, Shri Purshottam Bhaggeria, Joint Managing Director holds 2,17,36,798 Equity Shares of Rs. 2 each representing 9.99% of the paid up capital of the Company and is related to Shri Madhu Sudhan Bhageria, Managing Director, Shri Madhav Bhageria, Joint Managing Director of the Company.
SHRI MADHAV BHAGERIA	
(1)	Background details: Shri Madhav Bhageria, Promoter & Joint Managing Director, aged 56 years, is Commerce graduate from The Hindu College, University of Delhi. He is the Promoter Director of Tapti Valley Education Foundation which is an International School in Surat. He is also Directors in various other Companies.
(2)	Past Remuneration excluding benefits: ₹ 76,50,049, ₹ 86,84,170 & ₹ 1,02,92,818 for financial years 2016-17, 2017-18 & 2018-19 respectively
(3)	Recognition or awards: Nil
(4)	Job profile and his suitability: Shri Madhav Bhageria is the Promoter & Joint Managing Director of the Company. He looks after plants operations and marketing functions of the Company at Surat & Mumbai. In consideration of the performance of his duties as the Joint Managing Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 30 th April, 2019 have approved his appointment and remuneration as set out in Item No. 10 of the Notice.
(5)	Remuneration proposed: Mentioned in Item No. 10 of the Notice
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Proposed remuneration of Shri Madhav Bhageria is comparable to that drawn by similar senior level counter parts in other companies in the industry and is commensurate with the size of the Company, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered to him by the Board of Directors.

(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Besides the remuneration proposed, Shri Madhav Bhageria, Joint Managing Director holds 2,19,24,798 Equity Shares of Rs. 2 each representing 10.80% of the paid up capital of the company and is related to Shri Madhu Sudhan Bhageria, Managing Director & Shri Purshottam Bhaggeria, Joint Managing Director of the Company.
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III	OTHER INFORMATION
(1)	Reason of loss or inadequate profits: During the financial year ended 31 st March, 2019, the Company has earned adequate profits calculated as per Section 197 read with Section 198 of the Companies Act, 2013. However as an abundant caution, the Company proposes to pass the Special Resolutions to pay minimum remuneration to Managing Director and Whole-time Directors as per Schedule V of the Companies Act, 2013 in case of loss or inadequate profits in any year during their tenure of appointment.
(2)	Steps taken or proposed to be taken for improvements: The Company has been taking various initiatives to reduce the finance cost and cost of production. With the commencement of production of Polyester Textured Yarn at the existing Plant in Dahej, Company's turnover and profits will increase in coming years.
(3)	Expected increase in productivity and profits in measurable terms: In view of the facts mentioned above, it is difficult to forecast the productivity and profitability in measurable terms. However, considering the continuously improving economic scenario, the Company expects that the productivity and profitability may improve and would be comparable with the industry average.

IV	DISCLOSURES
	Remuneration package of the managerial persons: Fully described in the respective resolutions as mentioned above. The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been given in the Corporate Governance Report attached to this Annual Report

Your Directors recommend passing of the Resolutions at Item No. 8 to 10 as **SPECIAL RESOLUTIONS**.

Except Shri Madhu Sudhan Bhageria, Shri Purshottam Bhaggeria and Shri Madhav Bhageria, none of the Directors, Key Managerial Personnel and their relatives are deemed to be concerned or interested in these resolutions.

Item No. 11

Pursuant to Sections 23,42,62,71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act", the Members accorded their consent at the Annual General Meeting of the Company held on 27th September 2018 by means of Special Resolution authorizing the Board of Directors to issue Securities upto a maximum of Rs. 150 Crore, in one or more tranches inter alia by way of public and/or private offerings and/or preferential allotment basis/QIP accordance with Chapter VIII of the SEBI ICDR Regulations, or any combination thereof. However, no Securities were issued by the Company pursuant to the above Resolution.

The Company is continuously exploring options to raise funds for pursuing various opportunities for its growth. This would require sufficient resources including funds to be available and to be allocated, from time to time. The generation of internal funds may not always be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place to meet the desired fund requirements including for capital expenditure, working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals.

This would also help the Company to take quick and effective action to capitalize on the opportunities as and when available.

The requirement of funds is proposed to be met from both equity and debt by issuance of appropriate securities as defined in the resolutions and from both domestic and international markets. Prudence would require the funding to be structured with an appropriate mix of equity and debt to meet with the objective of optimization of the cost as well as conservative financial management.

Pursuant to section 62(1)(c) of the Companies Act, 2013 and rules made thereunder, as amended, in case the Company proposes to issue equity shares to any persons other than existing shareholders, whether or not such persons are shareholders, approval of shareholders through Special Resolution is required.

Pursuant to Sections 42, 62 & 71 of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Act"), as amended, a company offering or making an invitation to subscribe aforesaid Securities is required to obtain prior approval of the shareholders by way of the special resolution. If approved by shareholders, a preferential issue, including QIP, shall be completed within one year from the date of passing of special resolution and in case of issue by way other than QIP, provisions as applicable to the proposed issue shall be applicable. Equity Shares, proposed to be issued, shall in all respects rank pari passu with the existing equity shares of the Company.

As the pricing of the offer, will be decided at a later stage, be in accordance with the provisions of the SEBI (ICDR) Regulations, 2018, the Companies Act, 2013, or any other guidelines/regulations/consents as may be applicable or required.

In case of issue of convertible bonds and/or equity shares through depository receipts the price will be determined on the basis of the current market price and other relevant guidelines.

The “relevant date” for the above purpose, shall be:

- i. in case of allotment of equity shares, the date of meeting in which the Board or Committee thereof decides to open the proposed issue;
- ii. in case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares.

The Board of Directors, accordingly, at their meeting held on 2nd August 2019 has recommended to the shareholders to give their consent through special resolution to the Board of Directors or any Committee of the Board to raise funds through issuance of Equity Shares and / or Global Depository Receipts (“GDRs”) and / or American Depository Receipts (“ADRs”) and / or Foreign Currency Convertible Bonds (“FCCBs”) and/or Convertible Bonds / Debentures or any equity linked instrument/s (“Securities”) as may be appropriate to persons who may or may not be the existing shareholders through private placement and / or qualified institutional placement (“QIP”) and / or any other permitted modes at a price to be determined as

per the SEBI (Issue of Capital & Disclosure Requirement) Regulations, as amended (the “SEBI Regulations”) or as per other applicable rules and regulations, upto an amount of Rs. 250 crores (Rupees Two Hundred Fifty Crores) in Indian Rupees and / or an equivalent amount in any foreign currency under section 62 read with section 179 of the Companies Act, 2013, as amended or other applicable laws. Such issue shall be subject to the provisions of the Companies Act, 2013, as amended and rules made thereunder from time to time, Articles of Association of the Company, SEBI Regulations and other applicable laws.

In view of the above, it is proposed to seek approval from the shareholders of the Company in the ensuing Annual General Meeting to offer, create, issue and allot above Securities, in one or more tranches, to investors, inter alia, through QIP, by way of private placement or otherwise and to authorise the Board of Directors (including any Committee thereof authorised for the purpose) to do all such acts, deeds and things on the matter. The Board may offer a discount of not more than 5% on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.

The Board recommends passing of the resolution as set out under Item No. 11 as Special Resolution.

None of the Directors and/or Key Managerial Personnel (KMP) of the Company including their relatives are concerned or interested, financially or otherwise, in the said resolution.

By Order of the Board of Directors
For **FILATEX INDIA LIMITED**

Raman Kumar Jha
Company Secretary

PLACE : NEW DELHI
DATE : 2nd August, 2019

REGISTERED OFFICE:

Survey No.274, Demni Road,
Dadra (U.T. of Dadra & Nagar Haveli)
396 193 Phone no. 260-2668343/8510
Fax No.260-2668344
Email: fildadra@filatex.com
Website: filatex.com

CIN: L17119DN1990PLC000091

Other Details required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 in respect of Director Retiring by rotation / Re-appointment of Shri Ashok Chauhan, Shri Swarup Chandra Parija, Shri Suraj Prakash Setia, Smt. Pallavi Joshi Bakhru, Shri Brij Behari Tandon, Shri Madhu Sudhan Bhageria, Shri Purshottam Bhaggeria and Shri Madhav Bhageria are as under:

Name of Directors	Shri Ashok Chauhan	Shri Swarup Chandra Parija	Shri Suraj Prakash Setia	Smt. Pallavi Joshi Bakhru	Shri Brij Behari Tandon	Shri Madhu Sudhan Bhageria	Shri Purshottam Bhaggeria	Shri Madhav Bhageria
Age (Years)	67	78	77	51	78	60	58	56
Qualifications	MBA, B.E (Mech.)	M.Sc (Fiscal Studies), Bath University, UK	B.Sc (Hons.)	Chartered Accountant	IAS and certified associate of the Indian Institute of Bankers.	B.Com (Hons) from Shri Ram College of Commerce, Delhi University, Delhi	MBA, Cornell University, USA	B.Com (Hons) from Hindu College, Delhi University, Delhi
Date of Appointment	12-02-2014	30-09-2014	30-09-2014	30-09-2014	13-02-2015	30-07-2003	30-07-2003	30-07-2003
Expertise in specific functional areas/ Experience	Marketing, Project Management, General and overall Operations, Corporate Planning, Risk Evaluation & Business Investment strategies	Taxation & Former Finance Chairman Income Tax Settlement Commission	Technical Consultant	Having more than 28 years of post-qualification experience in the field of taxation. Her area of expertise includes inbound and outbound structuring advisory (including regulatory compliance) for both Indian and overseas investors and She has specialization in cross border transactions, investment and business structuring, compliance, transaction advisory services, transfer pricing and indirect taxes.	Worked in various senior position with the Central and State Government and retired as Chief Election Commissioner	Promoter Director, Looking after Production, Modernization & Expansion and overall operations of the Company	Promoter Director, Looking after Finance, Accounts, Legal & Secretarial	Promoter Director, looking after plant operations and marketing functions of the Company based in Surat & Mumbai

Chairman/Member of the committees of the Board of the Companies on which he is a Director.	None	Chairman – Audit and Nomination Committee: Filatex India Limited ARSS Infrastructure Projects Ltd. Member - Stakeholders Relationship Committee: Filatex India Limited Chairman - Stakeholders Relationship Committee ARSS Infrastructure Projects Ltd.	Chairman- Stakeholders Relationship Committee: Filatex India Limited Member– Audit Committee and Nomination & Remuneration Committee : Filatex India Limited	Filatex India Limited Member- Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee Sona BLW Precision Forgings Limited Chairperson- Audit Committee	Chairman - CSR Committee Exicon Tele-Systems Limited Member - Audit Committee: Filatex India Limited Duncan Engineering Limited Birla Corporation Limited Oriental Carbon & Chemicals Ltd. Exicon Tele-Systems Limited Member - Nomination & Remuneration Committee Filatex India Limited Birla Corporation Limited Oriental Carbon & Chemicals Ltd. Duncan Engineering Limited Exicon Tele-Systems Limited Member - CSR Committee Filatex India Limited Birla Corporation Limited	Filatex India Limited: Chairman - Corporate Social Responsibility Committee Member - Audit Committee, Nomination & Remuneration Committee	Filatex India Limited Member- Stakeholders Relationship Committee & Corporate Social Responsibility Committee	Filatex India Limited Member- Corporate Social Responsibility Committee
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Shares held in the Company	70,000	Nil	100	Nil	Nil	1,93,11,799	2,17,36,798	2,19,24,798	
Relationship with Directors /KMP	Not related to any Director/KMP of the Company	Not related to any Director/KMP of the Company	Not related to any Director/KMP of the Company	Not related to any Director/KMP of the Company	Not related to any Director/KMP of the Company	Only related to Shri Purshottam Bhaggeria and Shri Madhav Bhaggeria, Joint Managing Directors of the Company.	Only related to Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purshottam Bhaggeria, Joint Managing Director of the Company.	Only related to Shri Madhu Sudhan Bhageria, Chairman & Managing Director and Shri Purshottam Bhaggeria, Joint Managing Director of the Company.	
Five Board Meetings held during the year 2018-19	All meetings attended	All meetings attended	All meetings attended	All meetings attended	All meetings attended	All meetings attended	All meetings attended	3 out of 5 meetings attended	



FILATEX INDIA LIMITED

S. No.: _____

CIN: L17119DN1990PLC000091

REGD. OFFICE: SURVEY NO.274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 193

ADMISSION SLIP

PLEASE COMPLETE THE ADMISSION SLIP AND HAND IT OVER AT THE ADMISSION COUNTER.

NAME AND ADDRESS OF THE ATTENDING MEMBER (IN BLOCK LETTER)

Folio No./DP Id/Client ID No.:	
No. of shares held:	
NAME OF THE PROXY (IN BLOCK LETTERS, TO BE FILLED):	
IN IF THE PROXY ATTENDS INSTEAD OF THE MEMBER	

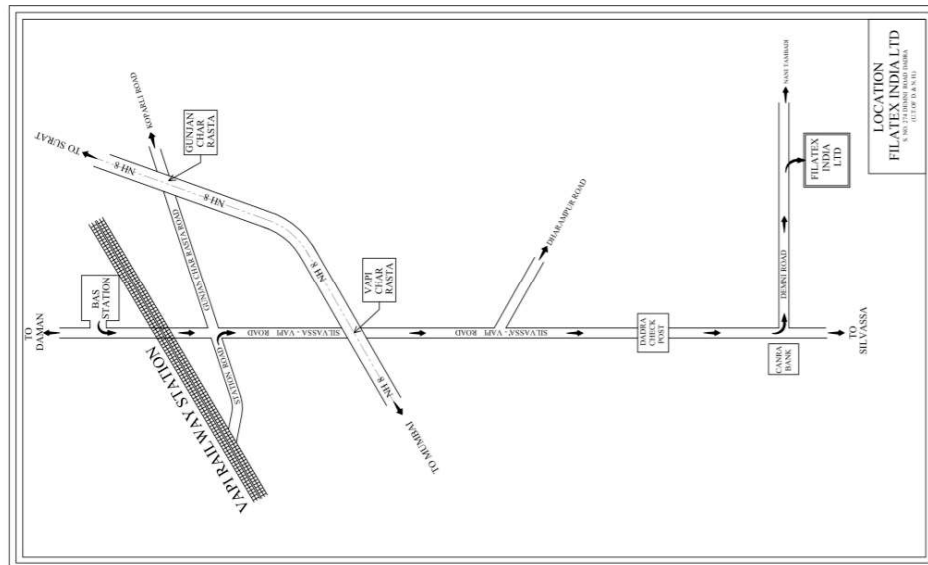
I HEREBY RECORD MY PRESENCE AT THE **29TH ANNUAL GENERAL MEETING** OF THE COMPANY HELD ON **FRIDAY, 27TH SEPTEMBER, 2019** AT **10.00 A.M.** AT SURVEY NO. 274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 193.

Signature of the Member/Proxy:

Note: Jointholder(s) intending to attend the meeting are requested to obtain additional Admission slip from the Registered/Corporate Office of the Company on or before 25th September, 2019 to avoid inconvenience

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

ROUTE MAP TO AGM VENUE





FILATEX INDIA LIMITED

CIN: L17119DN1990PLC000091

REGD. OFFICE: SURVEY NO.274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 193

FORM NO. MGT-11 (PROXY FORM)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)	
Registered address :	
E-mail Id :	
Folio No/ Client Id	DP ID :

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint

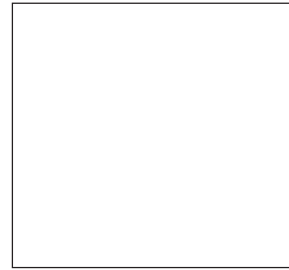
1.	Name		
	Address		
	E-mail Id	Signature	
	Or failing him		
2.	Name		
	Address		
	E-mail Id	Signature	
	Or failing him		
3.	Name		
	Address		
	E-mail Id	Signature	
	Or failing him		

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the **29th Annual General Meeting** of the Company to be held on **Friday, 27th September, 2019 at 10.00 A.M.** at Survey No. 274, Demni Road, Dadra (U.T. of Dadra & Nagar Haveli) 396 193 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions	For	Against
1.	To consider and adopt the Financial Statements (Standalone & Consolidated), Directors' Report and Auditors' Report for the financial year 2018-19		
2.	To re-appoint Shri Ashok Chauhan (DIN: 00253049), who retires by rotation		
3.	To ratify the remuneration of Cost Auditors		
4.	To re-appoint Shri Swarup Chandra Parija (DIN: 00363608) as Independent Director for a further period of five years		
5.	To re-appoint Shri Suraj Prakash Setia (DIN: 00255049) as Independent Director for a further period of five years		
6.	To re-appoint Smt. Pallavi Joshi Bakhru (DIN: 01526618) as Independent Director for a further period of five years		
7.	To re-appoint Shri Brij Behari Tandon (DIN: 00740511) as Independent Director for a further period of five years w.e.f.13.02.2020		
8.	To approve re-appointment of Shri Madhu Sudhan Bhageria as Managing Director of the Company, designated as Chairman & Managing Director for a period of 3 years w.e.f. 30.07.2019		
9.	To approve re-appointment of Shri Purrrshottam Bhaggeria as Wholetime Director, designated as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2019		
10.	To approve re-appointment of Shri Madhav Bhageria as Wholetime Director, designated as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2019		
11.	To Issue Equity Shares or Convertibles Bonds/Debenture		

Signature _____

Date _____



Note:

1. Proxy Form must reach the Company's Registered Office not less than 48 hours before the scheduled time of the Meeting.
2. The Instructions of Shareholders for e-voting are given in the notes of AGM Notice

Director's Report

Dear Members,

Your Directors have pleasure in presenting the 29th Annual Report alongwith the Audited Financial Statements for the financial year ended March 31, 2019.

Financial Results:

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total revenue (Turnover)	2,87,410	1,97,445	2,87,410	1,97,445
Other income	1,179	1,109	1,182	1,109
Total Income	2,88,589	1,98,554	2,88,592	1,98,554
Profit before Finance Cost, Depreciation and Tax	22,830	16,764	22,844	16,760
Finance Cost	5,470	4,410	5,471	4,410
Depreciation & amortization expense	4,497	3,082	4,497	3,082
Profit/(Loss) before tax (excluding exceptional item)	12,863	9,272	12,876	9,268
Exceptional Items (Profit)	234	--	234	--
Tax expense				
- Current	2,830	1,968	2,830	1,968
- Deferred	1,782	1,326	1,782	1,326
Total Tax	4,612	3,294	4,612	3,294
Net Profit/(Loss) after tax	8,485	5,978	8,498	5,974
Other comprehensive income / (losses)	(2)	31	(2)	31
Total comprehensive income	8,483	6,009	8,496	6,005

Dividend

In view of the challenging times being faced by the Man Made Fibres Industry and to conserve the resources, the Board has not recommended any dividend on the equity shares for the year 2018-19.

Operations & Expansions

During the year under review, the Company achieved turnover of Rs. 2,87,410 Lakhs as compared to Rs. 1,97,445 Lakhs in the previous year resulting in increase of 46%. Increase in turnover is due to commencement of commercial production for manufacture of Bright Polyester Fully Drawn Yarn, Bright Polyester POY and Bright Chips. Consequently, during the year under review, the Company has earned net profit (standalone) after comprehensive income of Rs. 8483 Lakhs as compared to net profit of Rs. 6,009 Lakhs in the previous year resulting into an increase of 41%.

Our product basket at Dahej facility, at present, offers Partially Oriented Yarn (POY), Fully Drawn Yarn (FDY), Drawn Textured Yarn (DTY) & Chips in Semi Dull range. There is good demand for Bright POY, FDY, DTY & Chips. By adding Bright Polymer & Spinning capacity, our product basket is enriched to serve our customers better. Besides we

are also meeting our own need of 40 TPD Bright Chips at Dadra plant, which we, presently, purchase from the market.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Subsidiary Company

Filatex Global Pte Limited, Singapore is a Wholly Owned Subsidiary of the Company as on date. No material transaction/ business has taken place during the financial year ended 31st March, 2019. The Board of Directors of the Company in their meeting held on 25.08.2018 decided to dissolve it. Accordingly Filatex Global Pte Ltd has filed an application for striking off to Accounting and Corporate Regulatory Authority (ACRA) on March 07, 2019. The total financial impact of liquidation of Filatex Global Pte Ltd is Rs. 11.68 lakhs which has been charged off to the statement of profit & loss in year ending March 31, 2019. The financial statement of the Subsidiary Company has been prepared and consolidated with the annual accounts of the Company in terms of Section 129(3) of the Companies Act, 2013. Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies

(Accounts) Rules, 2014, a Statement containing salient features of the Financial Statement of the said Subsidiary Company is annexed herewith as **Annexure "A"**.

During the financial year 2019-20, Accounting and Corporate Regulatory Authority (ACRA) issued Gazette Notification on 8th May, 2019 to strike off Filatex Global Pte Ltd from the Register of Companies which shall be effective on expiration of 60 days of the date of said notification.

Filatex Employee Stock Options Scheme, 2015

The Nomination & Remuneration Committee had, at its meeting held on February 12, 2016, granted 9,50,000 stock options ("options") of face value of Rs. 10 each (subsequently sub-divided into 47,50,000 shares of face value of Rs. 2 each) to the eligible Employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015) at an exercise price of Rs. 37 per option (after sub-division, Rs. 7.40 per option) (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date), each option being convertible into one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

Further, during the year under review, the Nomination & Remuneration Committee had, at its meeting held on May 07, 2018, granted 4,30,000 stock options ("options") of face value of Rs. 10 each [subsequently sub-divided into 21,50,000 shares of face value of Rs. 2 each] to the eligible Employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015) at an exercise price of Rs. 211 per option (after sub-division, Rs. 42.20 per option) (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date), each option being convertible into one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

Diluted Earnings per share (EPS) taking the effect of issuance of options under Filatex ESOS 2015 had been calculated (refer Note No. 39 of the Financial Statement). Disclosure under SEBI (Share Based Employees Benefits) Regulations, 2014 regarding details of the Filatex ESOS, 2015 for the financial year ended March 31, 2019 has been given in Note No. 49 of the financial statement

Share Capital

During the year under review, members of the Company in their meeting held on 15th June, 2018 approved the sub-division of Equity Share of face value of Rs. 10 per Equity share into Rs. 2 per Equity Share. Accordingly, authorized share capital and paid up share capital had been changed. Present authorized share capital is Rs. 60 (Sixty) crores consisting of 30,00,00,000 Equity Shares of Rs. 2 each.

During the financial year 2019-20, the Company on 17th April, 2019 allotted 21,85,000 Equity Shares of Rs. 2 each at an exercise price of Rs.7.40 per share against exercise of Stock Options to the Employees of the Company under Filatex Employee Stock Option Scheme 2015 (Filatex ESOS-2015). Consequently, Issued & Paid-up Capital of the Company stands increased to Rs. 43,93,70,000 consisting 21,96,85,000

Equity shares of Rs. 2/- each from Rs. 43,50,00,000 consisting of 21,75,00,000 equity shares of Rs. 2/- each.

Fixed Deposits

During the year under review, the Company has not accepted any fixed deposits.

Directors & Key Managerial Personnel

Shri Ashok Chauhan (DIN: 00253049), Whole-time Director, retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

Mr. Madhu Sudhan Bhageria (DIN:00021934), Chairman & Managing Director, Mr. Purrrshottam Bhaggeria (DIN:00017938), Joint Managing Director and Mr. Madhav Bhageria (DIN:00021953), Joint Managing Director are being re-appointed for a further period of 3 years w.e.f. 30.07.2019 subject to the approval of Members in the ensuing Annual General Meeting.

As per provisions of the Companies Act, 2013 and SEBI Regulations, the Board recommends the re-appointment of Independent Directors, Shri Swarup Chandra Parija, Shri Suraj Prakash Setia and Smt. Pallavi Joshi Bakhru for a second term of five years from the conclusion of Company's 29th Annual General Meeting to the conclusion of Company's 34th Annual General Meeting and they shall not be liable to retire by rotation at the Annual General Meeting. Further, the Board recommends the re-appointment of Independent Director, Shri Brij Behari Tandon for second term of period of five years w.e.f. 13.02.2020.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI regulations.

With effect from 30.04.2019, Mr. Anil Dutt Mohla, Vice President (Finance) has been appointed as Chief financial Officer of the Company in place of Mr. R. P. Gupta who retired from service on 15.04.2019.

Pursuant to the provisions of Section 203 of the Act, at present, the Key Managerial Personnel of the Company are: Shri Madhu Sudhan Bhageria, Chairman and Managing Director, Shri Purrrshottam Bhaggeria & Shri Madhav Bhageria, Joint Managing Directors, Mr. Raman Kumar Jha, Company Secretary and Mr. Anil Dutt Mohla, Chief Financial Officer of the Company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out an evaluation of its own performance, the directors individually and the evaluation of the working of its Audit, Nomination & Remuneration Committees, Stakeholders Relationship Committee and Finance & Corporate Affairs Committee. The manner in which the evaluation has been carried out has been given in the Corporate Governance Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is available on the Company's website.

Corporate Social Responsibility

As required under the Companies Act, 2013 ("Act"), the Corporate Social Responsibility ("CSR") Committee consists of Shri Madhu Sudhan Bhageria as the Chairman, Shri Purshottam Bhaggeria, Shri Madhav Bhageria, Shri Brij Behari Tandon and Mrs. Pallavi Joshi Bakhru, as members.

The Board, on the recommendation of CSR Committee, approved Rs. 116 Lakhs being two percent of average net profits during proceeding three financial years of the Company calculated in accordance with the provision of Section 198 of the Companies Act, 2013 to be spent on CSR activities during the financial year 2018-19 in accordance with CSR Policy, which is available at the Company website www.filatex.com.

During the year under review, the Company has incurred an expenditure of Rs. 116.15 Lakhs on Education, Swachh Bharat Abhiyan, Health facilities, Promotion of sports, making available safe drinking water, environment sustainability etc.

Details of the expenditure incurred towards CSR activities for the financial year 2018-19 is annexed herewith as "Annexure B".

Meetings of the Board

Five (5) meetings of the Board of Directors were held during the year. The details of which are given in the Corporate Governance Report.

Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, your Directors state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis.
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Secretarial Standards

Your Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Corporate Governance

The Corporate Governance Report as per Schedule V of the SEBI

(Listing Obligations Disclosure Requirements) Regulations, 2015 along with Certificate regarding compliance of conditions of Corporate Governance are annexed herewith as Annexure "C".

Management Discussion & Analysis

In terms of the provision of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion & analysis is set out in this Annual Report.

Auditors

As per the provisions of Section 139 of the Companies Act 2013, **M/s Arun K. Gupta & Associates** (Firm Registration No. 000605N) was appointed as the Statutory Auditors to hold office for a term of five years commencing from the Company's financial year 2017-18 to hold office from the conclusion of the 27th Annual General Meeting of the Company till the conclusion of the 32nd Annual General Meeting to be held in 2022 on such remuneration plus service tax/GST, out-of-pocket expenses etc. to be decided by the Board of Directors.

Auditor's Report

There are no qualifications, reservations or adverse remarks made by M/s Arun K. Gupta & Associates, Statutory Auditors in their report for the Financial Year ended March 31, 2019. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Cost Auditor's

Your Company has appointed **M/s Bahadur Murao & Co.,** (Firm Registration No. 000008) a firm of Cost Auditors, for conducting the audit of cost records for the financial year 2019-20 as the Cost Auditor at a remuneration of Rs. 60,000 plus service tax/GST and out of pocket expense subject to the approval of the Central Government and Members at the ensuing Annual General Meeting.

Secretarial Auditor

The Board has appointed **M/s Siddiqui & Associate,** Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith as Annexure "D". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Contracts and Arrangement with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which may be considered as material in accordance with the policy of the Company on materiality of related party transactions.

Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014), Form No. AOC-2 is annexed herewith as Annexure "E".

The Policy on related party transactions approved by the Board may be accessed on the Company's website www.filatex.com.

Your Directors draw attention of the members to Note no. 45 to the financial statement which sets out related party disclosure.

Stock Exchange Listing

Presently, the Equity Shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange. The Annual Listing Fee for the year 2018-2019 has been paid to the Stock Exchanges.

Conservation of energy , Technology Absorption, Foreign Exchange Earnings & Outgo

A statement relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, is annexed herewith as Annexure "F".

Particulars of Employees

During the year, no employees of the Company received remuneration more than Rs. 102.00 Lakhs per annum or Rs. 8.50 Lakhs per month if employed for part of the year except Shri Madhu Sudha Bhageria, Chairman & Managing Director, Shri Purshottam Bhageria and Shri Madhav Bhageria, Joint Managing Director of the company. Accordingly, information pursuant to the provisions of Section 197(12) of the Companies Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given in Annexure "G".

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and name and designation of Top ten employees in terms of remuneration drawn are annexed herewith as Annexure "G".

Vigil Mechanism

In terms of the Section 177 of the Companies Act, 2013 and SEBI Regulations, the Company has formulated the Whistle Blower policy/ Vigil Mechanism. The Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English/Hindi/ Gujarati and the same should be addressed to the Vigilance Officer of the Company or in exceptional cases, to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website www.filatex.com.

During the year under review, no complaint was received from any Whistle Blower. No personnel of the Company were denied access to the Audit Committee. During current financial year, Mr. Anil Dutt Mohla has been appointed as Vigilance Officer of the Company in place of Mr. R.P. Gupta who retired on 15.04.2019.

Risk Management Policy

Pursuant to Section 134(3)(n) of the Companies Act, 2013 & SEBI Regulations, the Company has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures which is also given in the Corporate Governance Report. The Board of Directors don't foresee any elements of risk, which in its opinion, may threaten the existence of the Company.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or

guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note No(s). 5, 6 & 14 to the financial statement).

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

The Company has put in place and practiced an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) had been set up to redress complaints regarding sexual harassment. All employees are covered under this policy. During the year under review, the Company has not received any complaint under the said Policy.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annexure "H" and the same is available on the website of the Company www.filatex.com.

Acknowledgements

The Board of Directors is pleased to place on record its sincere appreciation for the assistance, support and cooperation received from its Bankers, Government Authorities, Dealers, Customers and Vendors. Your Directors would like to record their sincere appreciation for the dedicated efforts put in by all employees, their commitment and contribution ensuring smooth operations that your Company has achieved during the year. Your Directors also place on record their sincere appreciation for the confidence reposed by the Members in the Company.

For and on Behalf of the **Board of Directors**

Place : New Delhi
Date : August 2, 2019

Madhu Sudhan Bhageria
Chairman and Managing Director
DIN:00021934

Annexure “A”

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part “A” - Subsidiaries

Sr. No.	Particulars	Particulars
1.	Name of the Subsidiary	Filatex Global Pte Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	As on 11 th January, 2019* USD
3.	Reporting Currency and Exchange rate as on the last date of the relevant financial year/Period in the case of foreign subsidiaries	1 USD = INR 67.7488
4.	Share Capital	6,58,291
5.	Reserve & Surplus	(6,58,291)
6.	Total Assets	--
7.	Total Liabilities	--
8.	Investments	--
9.	Turnover	--
10.	Profit before Taxation	6,70,191
11.	Provision for taxation	--
12.	Profit after Taxation	6,70,191
13.	Proposed Dividend	--
14.	% of Shareholding	100

* Prepared financial statement as on 11.01.2019 to file application striking off the name from the Registrar of Companies, Accounting and Corporate Regulatory Authority (ACRA)- Singapore

Part “A” –Associates and Joint Ventures

The Company don't have any associate companies and joint ventures, therefore the Statement pursuant to Section 129(3) of the Companies Act, 2013 relating to Associate Companies and Joint Ventures are required to be given.

For and on behalf of the Board of Directors of
Filatex India Limited

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN : 00021934

Swarup Chandra Parija
Independent Director
DIN : 00363608

Anil Dutt Mohla
Chief Financial Officer

Raman Kumar Jha
Company Secretary

Place : New Delhi
Date : August 2, 2019

Annexure “B”

Details of Expenditure incurred towards Corporate Social Responsibility for the financial year 2018-19 are as under :

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1.Local area/ others 2. Specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Subheads: 1.Direct expenditure on project, 2.Overheads	Cumulative spend upto to the reporting period.	Amount spent: Direct/ through implementing agency
1.	Donation for Maintenance of Cow in Gaushala	Animal welfare	Dadra, UT of Dadra & Nagar Haveli	2,000	2,000	2,000	Direct
2.	Relief material supplied to affected place	Disaster management	Kerala	--	25,000	27,000	Direct
3.	Water coolers to police station	Making available safe drinking water	Dadra, UT of Dadra & Nagar Haveli	20,000	18,000	45,000	Direct
4.	Donation given to Adivasi Samaj Utkarsh Sangh towards for group marriage of poor Adivasi girl	Measures for reducing inequalities faced by socially and economically backward groups	Dadra, UT of Dadra & Nagar Haveli	25,000	21,000	66,000	Direct
5.	Organized cancer detection camp & mega health check up to school children parents & surrounding villages	Preventive health care	Dadra, UT of Dadra & Nagar Haveli	15,000	11,000	77,000	Direct
6.	Payment made to “DAU DAYAL ADVOCATE SHANTI DEVI SHIKSHA SAMITI for providing educational facilities to poor, helpless and disable student	Promoting education	Mathura	1,50,000	1,50,000	2,27,000	Direct
7.	Supply of lunch to Govt. School for newly admitted child	Promoting education	Dadra, UT of Dadra & Nagar Haveli	7,000	6,875	2,33,875	Direct

8.	Lunch provided to Govt. Hospital, Dadra for Pulse Polio programme	Promoting health care	Dadra, UT of Dadra & Nagar Haveli	3,000	2,835	2,36,710	Direct
9.	Road Junction & Beautification and its related expenses	Environmental sustainability & Swachh Bharat Abhiyan	Dadra, UT of Dadra & Nagar Haveli	22,00,000	21,94,945	24,31,655	Direct
10.	Payment made to SILVASSA CRICKET LEAGUE towards sports activity in poor tribal adivashi youth & distribution of Cricket Sports KIT to Adivasi people of Demni village	Promoting sport	Dadra, UT of Dadra & Nagar Haveli	25,000	25,200	24,56,855	Direct
11.	Donation to Village Women - Sewing Machine	Empowering women	Bharuch	1,55,000	1,53,800	26,10,655	Direct
12.	Donation to Village/ Gruh Udhog Women - Papad Making M/C	Empowering women	Bharuch	3,00,000	3,02,080	29,12,735	Direct
13.	Donation given to school for note books, computers system & table, chairs, cupboard, payment made for school uniform & stitching, vehicle hiring for educational tour for students, Funding to ITI students	Promoting education	Bharuch	22,00,000	21,24,481	50,37,216	Direct
14.	Donation given to various schools	Promoting education	Chirawa	2,50,000	2,48,500	52,85,716	Direct
15.	HIV/aids awareness	Promoting preventive health care	Bharuch	10,000	8,000	52,93,716	Direct
16.	Ambulance use, blood donation camp, Medical checking camp, Donation given to Dr. Babasaheb Ambedkar Yuva Uthan Sanstha & City hospital etc	Promoting health care	Bharuch	15,00,000	15,12,540	68,06,256	Direct



17.	Gardening & Road/ RCC work in village, Cottage construction, public toilets & bathroom, cleaning work in village society, distribution of dustbins	Swachh Bharat Abhiyan	Bharuch	44,00,000	43,28,113	1,11,34,369	Direct
18.	Donation to village for water coolers	Making available safe drinking water					
19.	Donation in kerala flood relief	Disaster management	Bharuch	4,00,000	4,23,320	1,15,57,689	Direct
			Kerala	60,000	57,624	1,16,15,313	Direct
			TOTAL	1,17,20,000	1,16,15,313		

The CSR Committee has confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the policy of the Company

Madhu Sudhan Bhageria

Chairman of CSR Committee &
Chairman & Managing Director

Pallavi Joshi Bakhru

Member of CSR Committee &
Independent Director

Place : New Delhi

Date : August 2, 2019

Annexure “C”

Corporate Governance Report

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulation”), given below is a Corporate Governance Report on the matters mentioned in the Schedule V of the Listing Regulation.

1. Company’s Philosophy on Code of Governance

Your Company is fully committed to conduct its business with due compliance of all applicable laws, rules and regulations. The Company’s philosophy on Corporate Governance lays strong emphasis on integrity, transparency, accountability and full disclosure in all facets of its operations to achieve the highest standards of Corporate Governance and also to enhance the trust of the creditors, employees, suppliers, customers and public at large. The Company continues to believe that all its operations and actions must serve the underlying goal of enhancing shareholder value, over a sustained period of time.

During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the Company’s business.

2. Board of Directors

The Board of Directors consists of total 8 members comprising of 4 Non-Executive Directors & Independent Directors out of which one is women director representing an optimum mix of professionalism, knowledge and experience in their respective fields.

The Company currently has a right mix of Directors on the Board who possess the requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company. Detailed profile of the Directors is given in this annual report.

i) Structure of Board of Directors

Sr. No.	Name	Category of Director
1.	Shri Madhu Sudhan Bhageria Chairman & Managing Director	Executive Director
2.	Shri Purrshottam Bhaggeria Joint Managing Director	Executive Director
3.	Shri Madhav Bhageria Joint Managing Director	Executive Director
4.	Shri Brij Behari Tandon Director	Non-Executive & Independent Director
5.	Shri Swarup Chandra Parija Director	Non-Executive & Independent Director
6.	Shri Suraj Prakash Setia Director	Non-Executive & Independent Director
7.	Smt. Pallavi Joshi Bakhru Director	Non-Executive & Independent Director
8.	Shri Ashok Chauhan Wholetime Director	Executive Director

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Wholetime Directors of the Company are not the Independent Directors of any listed Company. Shri Madhu Sudhan Bhageria, Shri Purrshottam Bhaggeria and Shri Madhav Bhageria are related to each other. The Independent Directors of the Company have been appointed for a period of five years from the date of their appointment in accordance with the Companies Act, 2013 and

clarifications/circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time. The Company issues a formal letter of appointment to the Independent Directors at the time of their appointment and the same are uploaded on the Company’s website.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

ii) Board Meetings

During the year 2018-19, the Board meet five times on 7th May, 2018, 24th July, 2018, 25th August, 2018, 31st October, 2018 and 2nd February, 2019.

Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees {as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015} across all the Companies in which he/she is a Director.

Details of attendance of each Director at various meetings of the company and the membership held by the Directors in the Board/ Committees of other Companies are as follows: -

Sr. No	Name	No. of Board Meetings attended	No. of Other Directorships*	Committee Memberships*	Committee Chairmanships*	Attendance in AGM	Directorship in other Listed entity (Category of Directorship)
1.	Shri Madhu Sudhan Bhageria	5	1	-	-	No	No
2.	Shri Purshottam Bhaggeria	5	2	-	-	No	No
3.	Shri Madhav Bhageria	2	1	-	-	No	No
4.	Shri Brij Behari Tandon	5	5	6	2	No	Yes #
5.	Shri Suraj Prakash Setia	5	4	-	2	Yes	No
6.	Shri Swarup Chandra Parija	5	1	-	2	Yes	Yes #
7.	Smt. Pallavi Joshi Bakhru	5	1	-	-	No	No
8.	Shri Ashok Chauhan	5	-	-	-	No	No

* As on 31.03.2019 Represents Directorship & Membership/Chairmanship of Audit Committee & Stakeholders' Relationship Committee of Indian Public Companies.

Directorship of Shri Brij Behari Tandon & Shri Swarup Chandra Parija in other Listed Companies is as under:

Shri Brij Behari Tandon		Shri Swarup Chandra Parija	
Name of other Listed Companies	Designation	Name of other Listed Companies	Designation
Birla Corporation Limited	Independent Director	ARSS Infrastructure Projects Limited	Independent Director
Oriental Carbon & Chemicals Ltd			
Duncan Engineering Limited			
Jaiprakash Power Ventures Limited			

iii) Board Procedure:

The members of the Board are provided with the requisite information mentioned in the SEBI Listing Regulations before the Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances. The Chairman & Managing Director alongwith two Joint Managing Directors and Wholtime Director manage the day-to-day affairs of the Company subject to the supervision and control of the Board of Directors. The Independent Directors take active part in the Board and Committee meetings which adds value in the decision making process of the Board of Directors.

All the Directors who are on various committees are within the permissible limits of the Listing Regulation. The necessary disclosures regarding committee positions have been made by the Directors.

iv) Meeting of Independent Directors:

The meeting of Independent Directors was held on 2nd February, 2019 to discuss, inter-alia :

- (a) the performance of Non Independent Directors and the Board as a whole;
- (b) the performance of the Chairman & Managing Director of the Company, taking into account the views of Executive Director and Non Executive Directors;
- (c) the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the meeting. The criteria for performance evaluation of Directors is given under the heading Nomination and Remuneration Committee mentioned in item 4 below.

v) Familiarisation programme for Independent Directors:

Independent Directors of the Company are made aware of their role, rights and responsibilities at the time of their appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The Independent Directors have the opportunity to visit the plants of the Company, to enable them to understand of the manufacturing processes and operations and the Industry in which it operates.

All Directors of the Company are updated as and when required, of their role, responsibilities and liabilities. The Board of Directors have complete access to the information within the Company. Presentations are made regularly before the meetings of the Board of Directors and the Audit Committee, where Directors have an opportunity to interact with senior management personnel. Presentations cover, inter-alia, quarterly and annual results, business strategies, budgets, review of internal audit, risk management and such other areas as may arise from time to time.

Independent Directors have the freedom to interact with the Management of the Company. Interactions happen during the meetings of the Board or Committees, when senior management personnel of the Company make presentations to the Board.

3. Audit Committee

In terms of Section 177 of the Companies Act, 2013 and the Listing Regulation, the Audit Committee consists of Four Independent Directors and One Non Independent Director namely, Shri Suraj Prakash Setia, Shri Swarup Chandra Parija, Smt. Pallavi Joshi Bakhru and Shri Brij Behari Tandon and Shri Madhu Sudhan Bhageria. Shri Swarup Chandra Parija is Chairman of the Committee. The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and Listing Regulation, which inter-alia include the overview of Company's Financial Reporting Process, review of Quarterly, Half Yearly and Annual Financial Statements, Management Discussion & Analysis, Adequacy of Internal Control Systems, Major Accounting Policies & Practices, Compliances with Accounting Standards, Related Party Transactions, appointment of statutory auditors and internal auditors etc.

The Company Secretary of the Company acts as the Secretary of the Committee.

The Internal Audit Reports are prepared by an external firm of Chartered Accountants & cover various areas of the operations of the Company. The Audit Committee reviews internal audit report regularly. This ensures a constant review of operations and systems and highlights the areas which need improvement. The reports form the basis for the management to develop and maintain a transparent and effective Internal Control system.

During the year 2018-19 the Committee met four times and the gap between two meetings did not exceed 120 days. The attendance at the meetings is as under: -

Date of Meeting	No. of Members present
07-05-2018	5
24-07-2018	5
31-10-2018	5
02-02-2019	5

Shri Purshottam Bhaggeria, Shri Madhav Bhageria, Joint Managing Directors and Shri Ashok Chauhan, Wholtime Director, Shri R P Gupta, Chief Financial Officer retired on 15.04.2019, Internal Auditors and Statutory Auditors are invited to attend the Audit Committee Meetings.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board. The previous AGM of the Company was held on 27th September, 2018 and was attended by Shri Swarup Chandra Parija, Chairman of the Audit Committee.

4. Nomination and Remuneration Policy:

Pursuant to Section 178 of the Companies Act, 2013 and the Listing Regulation, the Nomination & Remuneration Committee consists of five Directors namely, Shri Suraj Prakash Setia, Shri Swarup Chandra Parija and Smt. Pallavi Joshi Bakhru, Shri Brij Behari Tandon and Shri Madhu Sudhan Bhageria. Shri Swarup Chandra Parija is the Chairman of the Committee.

The Committee reviews and recommends the remuneration payable to Key Managerial persons on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance / track record etc. The Company Secretary of the Company acts as the Secretary of the Committee. During the financial year ended 31st March, 2019, there were two meetings of the Committee held on 7th May, 2018 & 2nd February, 2019. The attendance of the said meeting is as under:

Date of Meeting	No. of Members present
07-05-2018	5
02-02-2019	5

Nomination and Remuneration Policy:

The Company's Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration are available at the Company's website.

www.filatex.com

Criteria for performance evaluation of Directors:

Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination and Remuneration Committee. Criteria for performance evaluation included aspects such as Board composition and structure, effectiveness of Board processes, attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency, contribution in the long term strategic planning, etc. The criteria for performance evaluation of the Committees included aspects such as structure and composition of Committees, effectiveness of Committee meetings etc. The above criteria for evaluation was based on the Guidance Note issued by SEBI.

Further, performance evaluation of the Managing Director/Joint Managing Directors/Wholtime Directors was based on the implementation of various plans & policies in the Company, monitoring and implementation of the projects including the smooth day to day affairs and operations of the Company and finally performance and business achievements of the Company.

Details of Remuneration paid/payable to the Directors during the Financial Year ended 31st March, 2019

Sr. No	Name of Directors	Salary & Allowances	Contribution to Provident Fund	Perquisites	Commission	Retirement Benefits	Sitting Fees	Share Based Payment (ESOS)	Total Rs.
1.	Shri Madhu Sudhan Bhageria Chairman & Managing Director	49,00,000	21,600	15,93,504	46,24,867	20,90,000	-	-	1,32,29,971
2.	Shri Purshottam Bhageria Joint Managing Director	42,00,000	21,600	17,00,739	46,24,867	20,77,000	-	-	1,26,24,206
3.	*Shri Madhav Bhageria Joint Managing Director	42,00,000	21,600	14,46,351	46,24,867	18,08,000	-	-	1,21,00,818
4.	Shri Suraj Prakash Setia	-	-	-	-	-	2,10,000	-	2,10,000
5.	Shri Swarup Chandra Parija	-	-	-	-	-	2,10,000	-	2,10,000
6.	Shri Brij Behari Tandon	-	-	-	-	-	2,20,000	-	2,20,000
7.	Smt. Pallavi Joshi Bakhru	-	-	-	-	-	2,20,000	-	2,20,000
8.	Shri Ashok Chauhan Wholtime Director	33,84,870	-	7,500	-	4,21,000	-	3,34,164	41,47,534

* Shri Madhav Bhageria is a promoter Director and holds more than 10% of Equity Shares of the company

The employment of Managing/Joint Managing Directors/Wholetime Director is on contractual basis. None of the Non-Executive Directors held any Equity Shares of the Company except Mr. Suraj Prakash Setia who holds 100 shares as on 31st March, 2019. The Managing/Joint Managing Directors/Wholetime Director are paid remuneration as approved by the Board of Directors and Shareholders on the recommendation of the Nomination and Remuneration Committee and are not paid sitting fees for Board/Committee Meetings attended by them. Non-Executive Directors do not have any pecuniary relationship with the Company except payment of sitting fees for attending the Board/Committee Meetings.

During the previous year, the Nomination & Remuneration Committee granted 21,50,000 options to eligible employees including Wholetime Director, who is a non promoter director. The re-appointments of the Managing Director/Joint Managing Directors are made for a period of three years on the terms and conditions contained in the respective resolutions to be passed by the members in the Annual General Meetings. Shri Ashok Chauhan, who has been re-appointed as Wholetime Director by the Board of Directors on the recommendation of the Nomination & Remuneration Committee for a further period of two years w.e.f., 01/05/2018. The Notice period is as per the respective resolutions passed for appointment of Managing Director/Joint Managing Directors/Wholetime Director. However, no severance fee is payable to them.

5. Corporate Social Responsibility Committee

As required under the Companies Act, 2013 ("Act"), the Corporate Social Responsibility ("CSR") Committee was constituted consisting of Shri Madhu Sudhan Bhageria as the Chairman, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria, Shri B.B.Tandon and Mrs. Pallavi Joshi Bakhru, as members.

During the financial year ended 31st March, 2019, there was one meeting of the Committee held on 7th May, 2018.

The attendance of the said meeting is as under:

Date of Meeting	No. of Members present
07-05-2018	5

6. Stakeholders Relationship Committee

For effective and efficient shareholders services, the Company has a Stakeholders Relationship Committee. The Committee comprises of Shri Suraj Prakash Setia & Shri Swarup Chandra Parija, Independent Directors and Shri Purrshottam Bhaggeria, Joint Managing Director of the Company. Shri. Suraj Prakash Setia is the Chairman of the Committee. Amongst the other functions, the Committee looks into redressal of Shareholders complaints like non-transfer of Shares, non-receipt of Balance Sheet, non-receipt of Dividends etc as required pursuant to Regulation 20 of the Listing Regulation.

The Company attends to Investors' Grievances/correspondences expeditiously and all efforts are made to reply immediately. The Committee oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investors' services.

During the year ended 31st March, 2019, eighteen shareholders' complaints were received and resolved to the satisfaction of the shareholders and there was one complaint pending as at the year end. There were no share transfers pending for registration as on 31st March, 2019.

The Company has also adopted a Code of Conduct for Prevention of Insider Trading in the Shares of the Company, pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Name and designation of Compliance Officer

Mr. Raman Kumar Jha, Company Secretary

7. General Body Meetings:

The last three Annual General Meetings of the Company were held as under: -

Year	Location	Date	Time	Whether Special Resolution passed
2015-2016	Survey No.274 Demni Road, Dadra - 396 191 (U.T. of Dadra & Nagar Haveli)	30th September, 2016	09.30 A.M.	Yes
2016-2017	Same as above	25th September, 2017	09.30 A.M.	No
2017-2018	Same as above	27th September, 2018	10.00 A.M.	Yes

During the financial year 2018-19, one meeting of Extra Ordinary General was held on 15.06.2018 whereas all resolutions were passed as Ordinary Resolution. No Special Resolution was passed by Postal Ballot in any of the aforesaid Annual General Meetings. As on date there is no proposal to pass any resolution by postal Ballot.

8. Disclosures

(i) None of the transactions with any of the related party were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Note No. 45 of financial statement forming part of the Annual Report.

(ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.

(iii) In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are adopted have been set out in the Notes to Accounts forming part of the Annual Report.

(iv) In terms of the Section 177 of the Companies Act, 2013 and Listing Regulation, the Company has formulated the Whistle Blower policy/ Vigil Mechanism. The Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English/Hindi/ Gujarati and the same should be addressed to the Vigilance Officer of the Company or in exceptional cases, to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website www.filatex.com.

(v) The Company is aware of the risks associated with the business. It has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures quarterly. It regularly analyses and takes corrective actions for managing / mitigating the same. The Company's Risk management framework ensures compliance with the provisions of Regulation 17(9) of the Listing Regulation and has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are: Securing critical resources; ensuring sustainable plant operations; ensuring cost competitiveness including logistics; completion of CAPEX; Foreign Exchange fluctuation, maintaining and enhancing customer service standards and resolving environmental and safety related issues.

(vi) During the year under review, the Company has not received any complaint under the Anti Sexual Harassment Policy.

(vii) The Company has complied with all mandatory requirements set out in the Listing Regulation.

9. Means of Communication

The Company publishes its quarterly/half yearly/annual results, amongst others, in The Economic Times, Financial Express and Gujarat Mitra (Gujarati) circulating in Dadra & Nagar Haveli where the Registered Office of the Company is situated. The same together with shareholding pattern and any other significant development is submitted to the Stock Exchanges and uploaded on the Company's website: www.filatex.com. The Company is not making any official releases and not sending half-yearly report to the shareholders, as it is not a mandatory requirement.

The presentations giving an analysis of the performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders regarding the financial results which are communicated to the Stock Exchanges.

Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.

10. Code of Conduct for Directors & Senior Management Personnel

The Board has adopted a Code of Conduct for observance by Directors and Senior Management Personnel to ensure ethical conduct in performance of their duties.

The Code has been circulated to all the Directors and Senior Management Personnel and they have affirmed compliance of the same. A declaration in this regard signed by Managing Director of the Company is given at the end of this Report.

11. Shareholder's Referencer

11.1 Annual General Meeting:

- Date and Time : Please refer to AGM Notice
- Venue: Survey No. 274, Demni Road, Dadra - 396193 (U.T. of Dadra & Nagar Haveli)

11.2 Financial Calender (tentative)
Results for the quarter ending 30-06-2019 on or before 14th August, 2019
Results for the quarter/half year ending 30-09-2019 on or before 14th November, 2019
Results for the quarter ending 31-12-2019 on or before 14th February, 2020
Results for the quarter/year ending 31-03-2020 on or before 30th May, 2020

11.3 Book Closure Date : As in the AGM Notice

11.4 Dividend Payment Date : Not Applicable

11.5. Listing of Equity Shares on Stock Exchanges at : BSE & NSE. Annual Listing fee for the year 2019-20 has been paid to the above Stock Exchanges.

11.6 Stock Code

(a) Trading Symbol at The Bombay Stock Exchange Limited - 526227
The National Stock Exchange of India Limited - FILATEX

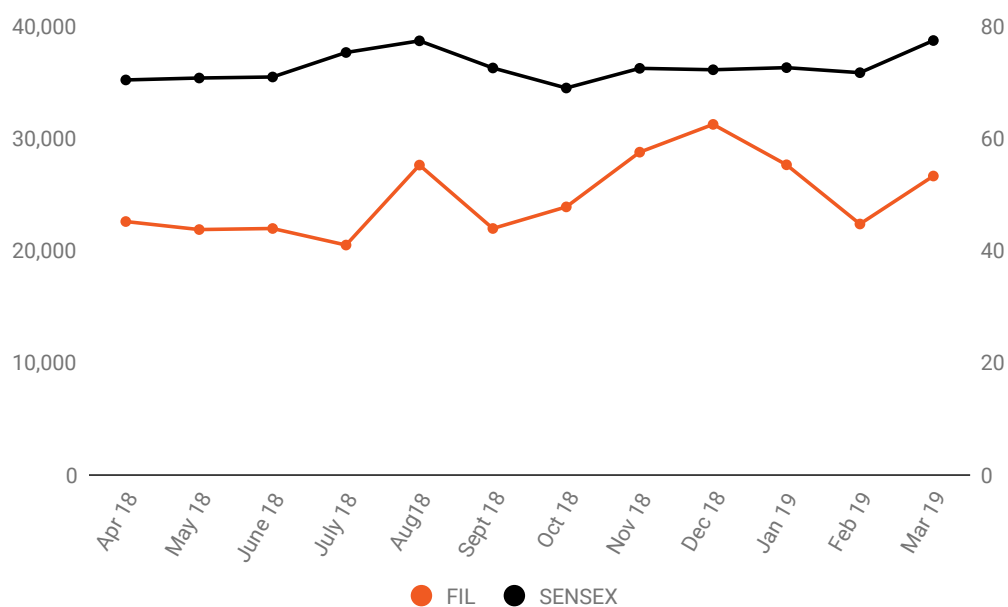
(b) Present ISIN of Equity Shares: INE816B01027

11.7 Stock Market Data:

Monthly High & Low price of the Equity Shares of the Company for the year 2018-2019 based upon BSE Price data in comparison to BSE Sensex is given below:

Month	High		Low	
	Share Price	Sensex	Share Price	Sensex
*April, 2018	45.97	35213	31.90	32973
*May, 2018	46.00	35994	37.20	34303
*June, 2018	47.00	35877	37.80	34785
July, 2018	49.40	37645	39.20	35107
August, 2018	59.35	38990	39.95	37129
September, 2018	55.50	38934	42.55	35986
October, 2018	54.40	36616	38.80	33292
November, 2018	66.45	36390	46.70	34303
December, 2018	63.75	36555	55.05	34426
January, 2019	65.35	36701	51.05	35376
February, 2019	55.50	37172	40.90	35287
March, 2019	56.20	38749	43.90	35927

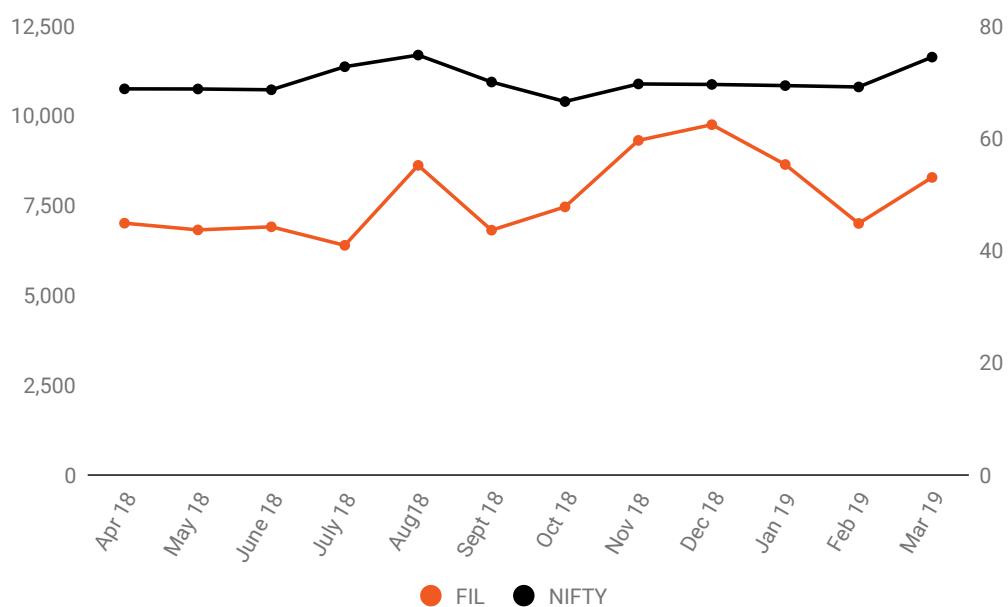
* Re-adjusted share price due to sub-division of Face Value of Rs. 10 into Face Value of Rs.2. Record date was 28th June, 2018



Monthly High & Low price of the Equity Shares of the Company for the year 2018-2019 based upon NSE Price data in comparison to Nifty is given below:

Month	High		Low	
	Share Price	Nifty	Share Price	Nifty
*April, 2018	45.60	10759	32.02	10111
*May, 2018	45.54	10929	37.26	10418
*June, 2018	45.90	10893	38.00	10551
July, 2018	45.05	11366	39.05	10605
August, 2018	59.40	11760	39.60	11235
September, 2018	55.50	11752	42.50	10850
October, 2018	54.30	11036	38.30	10005
November, 2018	66.33	10922	46.55	10342
December, 2018	63.75	10985	54.70	10334
January, 2019	65.40	10987	51.05	10584
February, 2019	55.55	11118	40.85	10586
March, 2019	54.95	11630	43.75	10817

* Re-adjusted share price due to sub-division of Face Value of Rs. 10 into Face Value of Rs.2. Record date was 28th June, 2018



11.8 Registrar and Transfer Agents :

All the works relating to the share registry for the shares held in the physical form as well as the shares held in the electronic form (Demat) are being done by MCS Share Transfer Agent Limited at the following address:

MCS Share Transfer Agent Limited F-65,
Okhla Industrial Area
Phase-I, New Delhi- 110020
Tel: 011-41406148
Fax: 011-41709881
Email: admin@mcsregistrars.com

11.9 Share Transfer System:

Note: Shareholders holding shares in electronic mode should address all correspondence to their respective Depository Participants.

The Share Transfers in physical form are registered and returned to the respective shareholders within a period of 15 days from the date of receipt, subject to the documents lodged for transfer being valid in all respects. The Shareholders'/ Investors' Grievances Committee meets twice in a month to approve share transfers/ transmissions.

11.10 Distribution of Shareholding according to categories of Shareholders as on 31st March, 2019:

Sr.No.	Category	No. of Shares	% to Total
1.	Promoters Holding		
	Promoter Group	12,66,27,475	58.22
2.	Institutional Investors		
	Mutual Funds	12,500	0.01
	Banks and Financial Institutions	9,59,797	0.44
	Foreign Institutional Investors	1,03,87,500	4.78
3.	Others		
	Bodies Corporate	3,07,30,488	14.13
	Indian Public	3,03,37,583	13.95
	Directors or Directors Relatives	2,01,370	0.09
	Trust	275	--
	NRIs & FCBs	57,47,554	2.64
	Clearing Members	4,37,113	0.20
	Hindu Undivided Families	18,18,221	0.84
	IEPF	7,26,875	0.33
	LLP	95,13,249	4.37
	TOTAL	21,75,00,000	100.00

Distribution of Shareholding as on 31st March, 2019 according to Size:

Range		Shareholders		Shares	
No. of Shares		Number	% of to Total Holders	Number	% to Total Capital
Upto	5000	6,133	85.77	3,16,16,17	1.45
5001	10000	377	5.27	15,29,169	0.70
10001	20000	208	2.91	16,16,848	0.74
20001	30000	71	0.99	9,09,126	0.42
30001	40000	60	0.84	10,82,240	0.50
40001	50000	38	0.53	8,90,340	0.41
50001	100000	93	1.30	34,43,306	1.59
100001	and above	171	2.39	20,48,67,354	94.19
Total		7,151	100	21,75,00,000	100

11.11 Dematerialization of Shares:

The shares of the Company are traded in compulsory dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

Share Dematerialization record

As on 31st March, 2019, 21,69,19,900 Equity Shares were in dematerialized form which represents 99.73 of the paid up share capital.

11.12 Outstanding GDR/ADRs/ Warrants or any Convertible Instruments, conversion dates and likely impact on Equity

N.A.

11.13 Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods. The Company takes forward cover in respect of its major foreign currency exposure such as for imports, repayment of borrowings & interest thereon denominated in foreign currency and export receivables. The Company at present is not dealing in commodities and therefore there is no hedging activity as of now. As and when the Company will deal in commodities, Company will make proper disclosure in the required format regarding commodity price risk and its hedging activities in terms of SEBI Circular dated November 15, 2018.

11.14 Plant Location

1. Survey No.274, Demni Road, Dadra-396 193
(U.T. of Dadra & Nagar Haveli)

2. Plot No. D-2/6, Jolva Village
PCPIR, Dahej-2 Industrial Estate
GIDC, Distt. Bharuch
Gujarat-392130

11.15 Address for Investor Correspondence

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area, Phase-I,
New Delhi- 110020
Tel : 011-41406148
Fax : 011-41709881 Email: admin@mcsregistrars.com

Members can also contact:
The Company Secretary
Filatex India Limited
43, Community Centre,
New Friends Colony, New Delhi - 110 025
Email: shares@filatex.com
Shareholders are requested to quote their Folio Nos./DP Id/Client Id,
No. of Shares held and address for prompt reply

12. Directors Retiring by Rotation/ Appointment / Reappointment of Directors :

Details of Directors retiring by rotation and reappointment of directors at the ensuing Annual General Meeting are given in the Explanatory

Statement to the Notice of the AGM.

13. Credit Rating:

Brickwork Ratings India Pvt. Ltd. (BWR), SEBI Registered Credit Rating Agency, assigned improved Credit Rating for Company's Bank Loan Facilities of Rs.1292.59 Crores based on 9 Month performance of FY19. The details of the same are as under:

Facilities	Amount (Rs. Crore)	Rating
Fund based	842.59	"BWR A-" (Pronounced as BWR Single A minus) Outlook: Stable
Non-Fund Based	450.00	"BWR A2+" (Pronounced as BWR Single A two plus)
Total	1292.59	INR One Thousand Two Hundred Ninety Two crores and Fifty Nine Lakhs only

14. A certificate has been received from M/s Siddiqui & Associates Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

15. CEO/CFO Certification :

In terms of Regulation 17(8) of the Listing Regulation, Managing Director and Chief Financial Officer of the Company have submitted a certificate certifying various covenants about financial/cash flow statements, internal controls, financial reporting etc. in respect of Accounts for the year ending 31st March, 2019 to the Board of Directors.

16. Non-Mandatory Items :

The Company has not adopted any non mandatory requirements as mentioned in the Listing Regulation.

For and on behalf of the Board of Directors

Place: New Delhi
Dated: August 2, 2019

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN: 00021934

Declaration

I, Madhu Sudhan Bhageria, Managing Director of the Company do hereby declare that all the Directors of the Company and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended 31st March, 2019.

Place: New Delhi
Dated: July 20th, 2019

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN: 00021934



Auditor's Certificate on Corporate Governance

TO THE MEMBERS OF FILATEX INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by **Filatex India Limited** for the year ended 31st March, 2019 as stipulated in the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Siddiqui & Associates
Company Secretaries

Place: New Delhi
Dated: August 2, 2019

K.O.SIDDIQUI
FCS 2229; CP 1284

Annexure “D”

Form MR-3

Secretarial Auditor Report

For the Financial Year ended 31st March 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Filatex India Limited
S. No. 274, Demni Road,
Dadra 396193
Dadar Nagar Haveli

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Filatex India Limited** having **CIN No. L17119DN1990PLC000091** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Filatex India Limited**’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Filatex India Limited** for the financial year ended on **31st March 2019** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);

The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB during the period.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable to the Company during the Audit Period.**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable to the Company during **the Audit Period** and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable to the Company during the Audit Period.**

vi. The Company has also complied with various provisions of Labour Laws, Environment Laws and other related laws to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, if any.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, except the events listed below, the company has no major events or actions which are having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

- » The Company, on May 07, 2018, granted 4,30,000 Stock Options of Face Value of Rs. 10 each to the eligible Employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015) at an exercise price of Rs. 211 per option.
- » Members of the Company in their meeting held on 15th June, 2018 approved the sub-division of Equity Share of face value of Rs. 10 per Equity share into Rs. 2 per Equity Share

For Siddiqui & Associates
Company Secretaries

Place: New Delhi
Dated: 29th July, 2019

K.O.SIDDIQUI
FCS 2229; CP 1284

Annexure “E”

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1.	Details of contracts or arrangements or Transactions not at arm's length basis	Not Applicable
	a) Name(s) of the related party and nature of relationship	
	b) Nature of contracts/arrangements/transactions	
	c) Duration of the contracts/arrangements/transactions	
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	
	e) Justification for entering into such contracts or arrangements or transactions	
	f) date(s) of approval by the Board	
	g) Amount paid as advances, if any:	
	h) Date on which the special resolution was passed in general meeting as required under first provision to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis	Not Applicable
	a) Name(s) of the related party and nature of relationship	
	b) Nature of contracts/arrangements/transactions	
	c) Duration of the contracts/arrangements/transactions	
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	
	e) Justification for entering into such contracts or arrangements or transactions	
	f) date(s) of approval by the Board	
	g) Amount paid as advances, if any:	
	h)Date on which the special resolution was passed in general meeting as required under first provision to section 188	

For and on Behalf of the **Board of Directors**

Place : New Delhi
Date : August 2, 2019

Madhu Sudhan Bhageria
Chairman and Managing Director
DIN:00021934

Annexure “F”

Conservation of Energy, Technology absorption & Foreign Exchange earnings & outgo

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rule, 2014.

A) Conservation of Energy

1. Energy Conservation measures taken:

There is constant focus at all levels in the organisation to conserve energy and use it efficiently. Company has been implementing short and long term actions on reducing energy cost and improving efficiency through adoption of new technology and optimisation of process thereby reducing operational costs. Some of initiatives undertaken by Company to conserve energy includes:

a) Use of IE-3 Motors : IE3 energy efficient induction motors with VFDs have been installed in SD POY and CP project to improve efficiency & optimization of energy consumption

b) In HP 7.0 -9.0 Bar air Generation : We have discontinued usage of high pressure old reciprocating compressors which had high specific power consumption. We are now using energy efficient Centrifugal compressor. Piping distribution network has been modified to reduce pressure drops, consequently saving energy.

c) Waste Heat Recovery: We have installed PHE & 400 TR advance technology Hot water VAM chillers to recover heat of the water vapours generated in polymerization process.

d) HTM Heaters : We have modified system to use all stripper Column off gases in HTM heater which not only is protecting environment but also adds some minor saving in fuel.

e) CP process: We have modified our new ES1 stripper column by adding advance technology and distribution plates to reduce COD levels in ETP. We have modified our existing distribution system to use all stripper Column off gases in HTM heater to save coal and protect environment also.

f) Lightings power conservation: All plant illumination converted on LED lighting. Old design air conditioners replaced with 5 star and new generation AC in existing Offices. Out sides streetlights & godown lights controlling has been started with dusk to dawn sensors.

2. Steps taken by the Company for utilising alternative source of energy:

Use of energy-less roof turbine ventilators to improve ventilation.

3. The Capital investment made by the Company on energy conservation equipments during the financial year ended 31st March, 2019:

Rs. 134.42 Lakhs.

B) Technology Absorption

i) Efforts in brief made towards technology absorption, adaptation and innovation

- » Optimisation / modification in process, equipments and products:
- » Regular & systematic training of operators & supervisors to operate machines & equipments efficiently
- » Upgradation of skills through vendor's organised programmes.

ii) Benefits derived as a result of the above efforts, e.g. Product improvement, cost reduction, product development, import substitution etc.

- » Optimisation of manufacturing cost
- » Enhanced product portfolio
- » Improvement in operational efficiency and quality of product.

iii) In case of Imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished: - Not Applicable

iv) Research and development:

a) Specific areas in which Research and Development carried out by company

• New Products Developed: Denier - 24/12, 64/56, 76/56, 80/56, 88/56, 120/84, 132/84, 250/144- Colour, 350/72 (Bright), 365/72 (Bright) -Colour and 700/192 (Bright)- Black

• Modified one POY Line in to two extruders for more flexibility to run multiple products and reduction in changeover operation.

b) Benefits derived as a result of the above research and development

- Better product mix, cost reduction resulting in improved margins
- Consistency in product quality
- Improvement in internal process

c) Expenditure on research & development:

• Capital	NIL
• Recurring	NIL
• Total	NIL

C) FOREIGN EXCHANGE EARNINGS AND OUTGO (cash basis):

Foreign exchange earned: Rs. 39,443.64 Lakhs

Foreign exchange used: Rs. 50,931.98 Lakhs

For and on Behalf of the **Board of Directors**

Place : New Delhi

Date : August 2, 2019

Madhu Sudhan Bhageria

Chairman and Managing Director

DIN:00021934

Annexure “G”

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) & 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for the financial year 2018-19 ₹ in Lakhs	% increase in Remuneration in the financial year 2018-19	Ratio of Remuneration of each Director/ to median Remuneration of Employees
1.	Shri Madhu Sudhan Bhageria Chairman & Managing Director	132.30	13.84%	59.59
2.	Shri Purshottam Bhaggeria Joint Managing Director	126.24	16.39%	56.86
3.	Shri Madhav Bhageria Joint Managing Director	121.01	15.99%	54.51
4.	Shri Ashok Chauhan Wholetime Director	41.48	27.43%	18.68
5.	Shri Brij Behari Tandon Non-Executive Independent Director	#	#	#
6.	Shri Swarup Chandra Parija Non-Executive Independent Director	#	#	#
7.	Shri Suraj Prakash Setia Non-Executive Independent Director	#	#	#
8.	Smt. Pallavi Joshi Bakhru Non-Executive Independent Director	#	#	#
9.	Shri. Rajender Prasad Gupta Chief Financial Officer	35.58	22.35%	N.A
10.	Shri. Raman Kumar Jha * Company Secretary	11.50	25.87%	N.A

No remuneration only Sitting Fees Paid

* LTA being paid once in a block of two years. It was paid in the Current Year 2018-19

ii) The median remuneration of employees of the Company during the financial year was Rs. 2.22 Lakhs

iii) In the financial year, there was an increase of 12.12% in the median remuneration of employees.

iv) There were 2,107 permanent employees on the rolls of Company as on 31 March 2019.

v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year, i.e 2018-19 was 7.99% whereas the increase in the managerial remuneration for the same financial year was 17.09%. The increments given to employees are based on their performance, potential and contribution which is benchmarked against applicable Industry norms. The managerial remuneration has increased because of increase in commission as percentage of profit which is on contractual basis as per approved terms of remuneration.

vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Details pertaining to Remuneration as required under section 197(12) of the Companies Act , 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The names of Top Ten Employees in terms of Remuneration drawn

Sr. No.	Name of Employee	Designation
1.	Shri. Madhu Sudhan Bhageria	Chairman and Managing Director
2.	Shri. Purshottam Bhaggeria	Joint Managing Director
3.	Shri. Madhav Bhageria	Joint Managing Director
4.	Shri. Ashok Chauhan	Whole Time Director
5.	Shri. Rajiv Kasturia	Sr. Vice President (Marketing)
6.	Shri. Vyanu B Vyas	Chief Operating Officer
7.	Shri. Ravindra Prasad Verma	Chief General Manager (HR)
8.	Shri. Rajender Prasad Gupta	Chief Financial Officer
9.	Shri. Vijay Kumar Jain	Chief General Manager (Engineering)
10.	Shri. Niraj Goyal	General Manager (Utility)

Particulars of Employees information pursuant to the provisions of Section 197(12) of the Companies Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	Remuneration ₹ in lacs	Qualification	Date of Commencement of employment	Age in years	Experience in years	Particulars of last Employment	% of Equity shares held
Mr. Madhu Sudhan Bhageria	Chairman & Managing Director	132.30	B. Com (H)	30.07.2003	60	37	Chief Executive, Madhu Industries	8.88
Mr. Purshottam Bhaggeria	Joint Managing Director	126.24	MBA	30.07.2003	58	34	None	9.99
Mr. Madhav Bhageria	Joint Managing Director	121.01	B.Com (H)	30.07.2003	56	32	None	10.08

Notes:

1. The Remuneration received includes Salary, other allowances, Commission & retiral benefits.
2. Mr. Madhu Sudhan Bhageria, Mr. Purshottam Bhaggeria and Mr. Madhav Bhageria are related to each other.
3. Employment of Mr. Madhu Sudhan Bhageria, Mr. Purshottam Bhaggeria and Mr. Madhav Bhageria are on contractual basis.

For and on Behalf of the **Board of Directors**

Place : New Delhi
Date : August 2, 2019

Madhu Sudhan Bhageria
Chairman and Managing Director
DIN:00021934

Annexure “H”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS

1.	CIN	L17119DN1990PLC000091
2.	Registration Date	08-08-1990
3.	Name of the Company	Filatex India Limited
4.	Category / Sub-Category of the Company	Public Company/Limited by shares
5.	Address of the Registered office and contact details	Survey No.274, Demni Road, Dadra-396 193 (U.T. of Dadra & Nagar Haveli) Phone No. 260-2668343/8510
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Ltd. F-65, Okhla Industrial Area, Phase-I, New Delhi-110020, Phone No. 011-41406148

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% of Total Turnover of the Company
1.	Polyester Multifilament Yarn	20203	86%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN/UEN NO	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	*Filatex Global Pte. Limited 300 Tampines Ave 5, #07-02A, NTUC Income Tampines Junction, Singapore 529653	201539583K	Subsidiary	100	2(87)(ii)

* Struck off from register of Registrar of Companies, Singapore w.e.f. 7th July, 2019

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter and Promoter Group									
1. Indian									
(a) Individuals/Hindu Undivided Family	7,80,01,395	—	7,80,01,395	35.86	7,80,01,395	—	7,80,01,395	36	0.14
(b) Central Government/ State Government(s)	—	—	—	—	—	—	—	—	—
(c) Bodies Corporate	4,81,26,080	—	4,81,26,080	22.13	4,83,26,080	—	4,83,26,080	22.22	0.09
(d) Financial Institutions / Banks	—	—	—	—	—	—	—	—	—
(e) Any Other (specify)	—	—	—	—	—	—	—	—	—
Sub Total (A)(1)	12,61,27,475	—	12,61,27,475	57.99	12,66,27,475	—	12,66,27,475	58.22	0.23
2. Foreign									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	—	—	—	—	—	—	—	—	—
(b) Bodies Corporate	—	—	—	—	—	—	—	—	—
(c) Institutions	—	—	—	—	—	—	—	—	—
(d) Qualified Foreign Investors	—	—	—	—	—	—	—	—	—
(e) Any Other (specify)	—	—	—	—	—	—	—	—	—
Sub Total (A)(2)									
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	12,61,27,475	—	12,61,27,475	57.99	12,66,27,475	—	—	58.22	0.23
(B) Public shareholding									
1. Institutions									
(a) Mutual Funds/UTI	—	67,000	67,000	0.03	—	12,500	12,500	0.01	(0.02)
(b) Financial Institutions / Banks	2,60,210	—	2,60,210	0.12	9,59,797	—	9,59,797	0.44	0.32
(c) Central Government/ State Government(s)	—	—	—	—	—	—	—	—	—
(d) Venture Capital Funds	—	—	—	—	—	—	—	—	—
(e) Insurance Companies	—	—	—	—	—	—	—	—	—
(f) Foreign Institutional Investors	1,05,12,500	—	1,05,12,500	4.83	1,03,87,500	—	1,03,87,500	4.78	(0.05)
(g) Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
(h) Qualified Foreign Investors	—	—	—	—	—	—	—	—	—
(i) Alternate Investment Funds	4,10,480	—	4,10,480	0.19	—	—	—	—	—
Any Other (specify)	—	—	—	—	—	—	—	—	—
Sub Total (B) (1)	1,11,83,190	67,000	1,12,50,190	5.17	1,13,47,297	12,500	1,13,59,797	5.22	0.05
2. Non-institutions									
(a) Bodies Corporate	3,87,18,540	69,000	3,87,87,540	17.83	3,06,73,988	56,500	3,07,30,488	14.13	(3.7)

(b)	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	1,02,27,915	9,31,100	1,11,59,015	5.13	94,58,648	4,15,100	98,73,748	4.54	(0.59)
	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2,09,07,545	1,96,000	2,11,03,545	9.70	2,03,67,835	96,000	2,04,63,835	9.41	(0.29)
(c)	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(d)	Any Other									
(i)	Non Resident Indians (Repat)	5,25,650	-	5,25,650	0.24	4,71,196	-	4,71,196	0.22	(0.02)
(ii)	Hindu Undivided Families	27,19,675	-	27,19,675	1.25	18,18,221	-	18,18,221	0.84	(0.41)
(iii)	Foreign Companies	-	-	-	-	-	-	-	-	-
(iv)	Clearing Member	2,06,430	-	2,06,430	0.09	4,37,113	-	4,37,113	0.20	0.11
(v)	Foreign Collaborators	-	-	-	-	-	-	-	-	-
(vi)	Trust	70,275	-	70,275	0.03	275	-	275	0.00	(0.03)
(vii)	Overseas corporate bodies	52,40,045	-	52,40,045	2.41	52,76,358	-	52,76,358	2.43	0.02
(viii)	IEPF	3,10,060	-	3,10,060	0.14	7,26,875	-	7,26,875	0.33	0.19
(ix)	Director or Director's Relatives	100	-	100	-	2,01,370	-	2,01,370	0.09	0.09
(x)	LLP	-	-	-	-	95,13,249	-	95,13,249	4.37	4.37
	Sub Total (B)(2)	7,89,26,235	11,96,100	8,01,22,335	36.84	7,89,45,128	5,67,600	7,95,12,728	36.56	(0.28)
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	9,01,09,425	12,63,100	9,13,72,525	42.01	9,02,92,425	5,80,100	9,08,72,525	41.78	(0.23)
(c)	Total (A)+(B)	21,62,36,900	12,63,100	21,75,00,000	100	21,69,19,900	5,80,100	21,75,00,000	100	
	Shares held by custodians and against which Depository Receipts have been issued									
	Promoter and Promoter group	-	-	-	-	-	-	-	-	-
	Public	-	-	-	-	-	-	-	-	-
	Sub Total (C)	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	21,62,36,900	12,63,100	21,75,00,000	100	21,69,19,900	5,80,100	21,75,00,000	100	

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1. Madhu Sudhan Bhageria	18773465	8.63	48.41	19311799	8.88	83.27	0.25
2. Purrshottam Bhaggeria	21198465	9.75	46.59	21736798	9.99	73.98	0.24
3. Madhav Bhageria	21386465	9.83	48.63	21924798	10.08	73.34	0.25

(iii) Change in Promoters' Shareholding (please specify, if there is no change)				
Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1. Madhu Sudhan Bhageria	1,87,73,465	8.63	1,93,11,799	8.88
2. Purshottam Bhaggeria	2,11,98,465	9.75	2,17,36,798	9.99
3. Madhav Bhageria	2,13,86,465	9.83	2,19,24,798	10.08

* Reason for increase in % age of Promoter's Shareholding :

Acquired from Late Shri. Ram Avtar Bhageria father of Madhu Sudhan Bhageria, Purshottam Bhaggeria & Madhav Bhageria on 03.01.2019

(iv) Shareholding Pattern of top ten Shareholders (other than Promoter Director and Holders of GDRs and ADRs):							
For Each of the Top 10 Shareholders	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total Shares of the company
1. Azimuth Investments Ltd	1,56,25,000	7.18	NA	NA	NA	1,56,25,000	7.18
2. Janus Infrastructure Projects Pvt. Ltd.	1,35,00,000	6.21	NA	NA	NA	1,35,00,000	6.21
3. Nouvelle Securities Pvt. Ltd.	99,45,080	4.57	NA	NA	NA	99,45,080	4.57
4. Satsai Finlease Pvt. Ltd.	83,00,000	3.82	NA	NA	NA	83,00,000	3.82
5. Fargo Estates Pvt. Ltd.	80,00,000	3.68	*	2,00,000	Purchase	82,00,000	3.77
6. Chaturveda Advisory Services LLP	-	-	*	-	-	80,23,489	3.69
7. ELM Park Fund Limited	59,12,500	2.72	*	NA	NA	58,87,500	2.71
8. Nishit Fincap Pvt. Ltd.	60,00,000	2.76	*	-10,01,732	Sale	49,98,268	2.30
9. Hypnos Fund Limited	46,00,000	2.11	*	-1,00,000	Sale	45,00,000	2.07
10. ANM Fincap Pvt. Ltd.	45,00,000	2.07	*	-45,00,000	Sale	-	-
11. Madhulika Agarwal	37,81,390	1.74	*	NA	Sale	-	-
12. Shefali Bhageria	35,13,500	1.62	NA	NA	NA	35,13,500	1.62

* More than 99.73 % of the shares of the Company are held in dematerialized form, and are widely traded on daily basis. Therefore. the Date wise increase/decrease in shareholding is not indicated.

(v) Shareholding Pattern of Directors including promoter director and Key Managerial Personnel and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total Shares of the company
1. Madhu Sudhan Bhageria	1,87,73,465	8.63	03.01.2019	Increase	*	1,93,11,799	8.88
2. Purrshottam Bhaggeria	2,11,98,465	9.75				2,17,36,798	9.99
3. Madhav Bhageria	2,13,86,465	9.83				2,19,24,798	10.08
4. Ashok Chauhan	--	--	---	--	--	--	--
5. Swarup Chandra Parija	--	--	---	--	--	--	--
6. Suraj Prakash Setia	100	--	---	--	--	100	--
7. Pallavi Joshi Bakhru	--	--	---	--	--	--	--
8. Brij Behari Tandon	--	--	---	--	--	--	--
9. Rajender Prasad Gupta	--	--	---	--	--	--	--
10. Raman Kumar Jha	--	--	---	--	--	--	--

* Acquired from Late Shri. Ram Avtar Bhageria father of Madhu Sudhan Bhageria, Purrshottam Bhaggeria & Madhav Bhageria on 03.01.2019

Note: At the beginning of the year, the face value of equity shares was Rs. 10/- per share. W.e.f. June 28, 2018, the face value was sub-divided into Rs. 2/- per share. Opening balance is converted to Rs.2/- face value for the sake of convenience.

V. INDEBTNESS

(₹ in Lakhs)

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

Shareholder's Name	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	63,065.43	8,013.25	--	71,078.68
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	111.64	--	--	111.64
Total (i+ii+iii)	63,177.07	8,013.25	-	71,190.32
Change in Indebtedness during the financial year · Addition · (Reduction)				
Net Change	(10,761.03)	104.75	-	(10,656.28)
Indebtedness at the end of the financial year				
i) Principal Amount	52,283.08	8,118.00	-	60,401.08
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	132.96	-	-	132.96
Total (i+ii+iii)	52,416.04	8,118.00	-	60,534.04

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(In ₹)

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

	Particulars of Remuneration	Name of MD/WT/ Manager				Total Amount
		SH. MADHU SUDHAN BHAGERIA	SH. PURRSHOTTAM BAGGERIA	SH. MADHAV BHAGERIA	SH. ASHOK CHAUHAN	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,21,600	42,21,600	42,21,600	33,84,870	1,67,49,670
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,93,504	17,00,739	14,46,351	7,500	47,48,094
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify	46,24,867	46,24,867	46,24,867	-	1,38,74,601
5.	Others (Retirement Benefits)	20,90,000	20,77,000	18,08,000	4,21,000	63,96,000
	Total (A)	1,32,29,971	1,26,24,206	1,21,00,818	41,47,534	4,21,02,529
	Ceiling as per the Act	As per Companies Act, 2013 and Schedules thereto				

(In ₹)

B. Remuneration to Other Directors:

	Particulars of Remuneration	Name of MD/WT/ Manager				Total Amount
		SH. SURAJ PRAKASH SETIA	SH.SWARUP CHANDRA PARIJA	SH. BRIJ BEHARI TANDON	SMT. PALLAVI JOSHI BAKHRU	
1.	Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	2,10,000	2,10,000	2,20,000	2,20,000	8,60,000
	Total (1)	2,10,000	2,10,000	2,20,000	2,20,000	8,60,000
2.	Other Non-Executive Directors Fee for attending board / committee meetings · Commission Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	2,10,000	2,10,000	2,20,000	2,20,000	8,60,000
	Total Managerial Remuneration					4,29,62,529
	Overall Ceiling as per the Act	No Remuneration, only sitting fee				

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable	8,65,937	23,34,231	32,00,168
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		5,000	5,000	10,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2.	Stock Option		97,523	2,45,525	3,43,048
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify...		-	-	-
5.	Others (Retirement Benefits)		1,82,000	9,73,000	-
	Total		11,50,460	35,57,756	47,08,216

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

Type	Section of the Companies Act	Breif Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on Behalf of the **Board of Directors**Place : New Delhi
Date : August 2, 2019**Madhu Sudhan Bhageria**
Chairman and Managing Director
DIN:00021934

Standalone Financial Statements



Standalone Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF FILATEX INDIA LIMITED Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial Statements of Filatex India Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements).

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies

Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matters	Auditors Response
1	Evaluation of Minimum Alternate Tax (MAT) credits The Company has material uncertain tax position regarding set off of MAT credit which involves significant judgment to determine the possible utilization of tax assets amounting to Rs. 7,068 lakhs (approx.) refer note No. 23 of financial Statements.	Principal Audit Procedures In assessing the realisability of MAT credit entitlement, management considered whether some portion or all of the MAT credits will not be realized. The ultimate realization of MAT Credits is dependent upon the generation of future taxable income during the periods taxable incomes exceeds the book profit as per the provisions of the income tax act. This requires the significant judgement. The management considered the scheduled adjustment of MAT credit, projected future taxable income and tax planning strategies in making this assessment. We have considered the projections of the future profitability of the company, as appraised by the Company's bankers for assessing credit limits and the relevant provisions of the income tax act as amended from time to time to test the probability of expected future economic benefit in respect of MAT credit.
2		

Allowance for Inventories

The Company holds significant inventories and records allowance for identified obsolete inventories. As at 31 March, 2019, the Company's inventories amounted to Rs. 17,268 lakhs representing 12.20 % of the Company's total assets.

Refer Note No. 10 of financial statements.

At the end of each reporting period, management assesses whether there is any objective evidence that certain inventories, which are stated at cost, are above their net realizable value. If so, these inventories are written down to their net realizable value. Assessing the net realizable value is an area of significant judgment with specific consideration to slow moving and obsolete inventory and hence considered to be a Key Audit Matter.

Management undertakes the following procedures for determining the level of write down required.

- » Specific identification procedures are performed periodically by the management to ascertain the slow moving, non-moving or obsolete inventories.
- » Adequate allowance is created for non-moving and slow-moving inventories basis market realizable value and need of incremental re-processing cost.
- » Perform a line-by-line analysis of remaining item of finished inventory (Inventory properties) to ensure it is stated at the lower of cost and net realizable value and a specific write down is recognized if required.

Principal Audit Procedures

Our audit procedures to assess allowance for inventories included the following:

- » We checked the management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is reasonable and consistently applied.
- » We checked that the allowance for slow-moving, non-moving and obsolete inventories is appropriately computed basis the underlying working/supporting.
- » We tested the net realizable value of inventory properties selected on a sample basis to recent selling price.
- » We compared the actual utilization/liquidation of inventories to the status of inventories previously assessed as per specific identification method.
- » We also checked inventory aging and inquiries for non-moving inventories which are not considered for inventory provisioning.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The above mentioned report is expected to be made available to us after the date of this auditor's report.

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

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

Management's Responsibility for the standalone 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 standalone financial statements to give a true and fair view of the financial position, financial

performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

- » Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- » Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider

quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

i. The Company has disclosed the impact of pending litigations on its

financial position in its standalone financial statements- Refer Note-40A to the standalone financial statement.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, 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 in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Arun K Gupta & Associates

Chartered Accountants

Firm Registration No.000605N

GIRESH KUMAR GOENKA

Partner

Membership No. - 096655

Place: New Delhi

Dated: 30-04-2019

Annexure-A to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of Filatex India Limited of even date)

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

We have audited the internal financial controls over financial reporting of Filatex India Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Arun K Gupta & Associates

Chartered Accountants
Firm Registration No.000605N

Place: New Delhi
Dated: 30-04-2019

GIREESH KUMAR GOENKA
Partner
Membership No. - 096655

Annexure-B To Independent Auditors' Report

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of Filatex India Limited of even date)

i. In respect of the Company's fixed assets:

a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

b) There is a regular programme of verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the said programme part of the fixed assets have been physically verified by the management during the year. As informed, no material discrepancies were noticed on such verification

c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies in inventory were noticed on physical verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii)(b) & (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act, 2013 in respect of investments made, have been complied by the Company.

There are no other loans, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.

v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

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

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

c) Details of the dues outstanding of income-tax, duty of customs, goods & service tax and cess which have not been deposited on account of any dispute as at March 31, 2019 are stated below:-

Sr. No.	Name of the Statute	Nature of Dues	Amt (Rs/lacs)	Period to Which it relates	Forum where Dispute is pending
1	Central Excise Act, 1944.	NCCD on Deemed Exports.	2.77	From July 2004 to Nov. 2004	Commissioner (Appeals) C.E., Vapi
2	Central Excise Act, 1944.	Service Tax Credit before starting of production	51.08	FY 2011-12	CESTAT, Ahmedabad
3	Central Excise Act, 1944.	Service Tax Credit on Hotel Bill & outward courier	1.08	March 2012 to Jan, 2016.	The Commissioner(Appeals) Bharuch
4	Central Excise Act, 1944.	Credit of Service Tax availed on courier service.	0.21	FY's 2005-06 & 2006-07	The Asst. Commissioner of Central Excise, Silvassa.
5	Central Excise Act, 1944.	Excess credit availed on goods supplied to 100% EOUs	35.79	FY 2007-08 & FY 2008-09	CESTAT, Western Zone, Ahmedabad

Sr. No.	Name of the Statute	Nature of Dues	Amt (Rs/lacs)	Period to Which it relates	Forum where Dispute is pending
6	Central Excise Act, 1944.	Credit of Service tax availed on the invoices issued in the name of Branch offices for the year 2010-11, 2011-12 & 2012-13	3.17	F.Y's 2010-11 to 2012-13	CESTAT,WZB, Ahmedabad
7	Central Excise Act, 1944.	Demand of Service Tax credit availed on Sales Commission for the years 2009-10 & 2010-11	15.31	F.Y's 2009-10 & 2010-11	The Addl. Commissioner, Central Excise, Customs & Service Tax, Vapi
8	Central Excise Act, 1944.	Cenvat credit of service tax availed on invoices issued in the name of branch office for the period from Nov.-2012 to March.-2013	0.72	From Nov. 2012 To Mar. 2013	Commissioner (Appeals) C.E., Vapi
9	Central Excise Act, 1944.	Demand of Ex. duty on Polyester FDY Yarn transferred to NWF on transaction value instead of CAS-04 for the period from April-2009 to April-2012	32.99	From Apr.-2009 to Apr -2012	Commissioner (Appeals) C.E. , Vapi
10	Customs Act, 1962.	Differential duty on import of chips	14.54	December, 2007	Asst. Commissioner of Customs, Group II, C&D, JNCH, Navi Mumbai.
11	Customs Act, 1962.	Co-Party made with a customer for discrepancies in compliance of export obligation by customer.	15.00	April, 2007	CESTAT, Western Zone, Ahmedabad.
12	Customs Act, 1962.	Fraudulent availment of DEPB credit by M/s Shivam Overseas, Ludhiana by resorting to overvaluation of their exported goods	8.64	March,2005	The Commissioner of Customs (EP), New Custom House, Ballard Estate, Mumbai
13	Central Excise Act, 1944	Demand of service tax credit availed on sales commission for the period April 2011 to December 2014.	20.10	April 2011 to December 2014.	The Additional Commissioner, Central excise ,Custom & Service Tax , Div I Vapi.
14	Central Excise Act, 1944	Demand of service tax credit availed on sales commission for the period January 2015 to November 2015.	3.58	January 2015 to November 2015.	The Assistant Commissioner, Central excise ,Custom & Service Tax , Div I Silvassa.
15	Central Excise Act, 1944	Demand of service tax credit availed on sales commission for the period April 2010 to February 2016	44.10	April 2010 to February 2016	The Superinendent, Central Ex & Custom, Range-III,Division - V , Bharuch
16	Central Excise Act, 1944	Excise Rebate claim sale Invoice no. 2039ARE no.8/2014-15	3.09	For the period 2014-15	The Joint Commissioner , Central Excise, Raigarh
17	Central Excise Act, 1944	Demand of C. Ex. duty on clearance of Narrow Woven Fabrics	289.76	For the period from August-2015 to June-2017	The High court of Mumbai, MUMBAI
18	Central Excise Act, 1944.	Service Tax Credit on Hotel Bill & outward courier	1.18	For the period Mar-16 to Jun-17	The Commissioner(Appeals) Bharuch

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or banks. The Company does not have any outstanding debenture.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied, on overall basis, for the purposes for which

they were obtained. The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come



across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has paid and provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

xii. The Company is not a Nidhi Company, this clause is not applicable to the Company.

xiii. According to the records of the Company examined by us and the information and explanation given to us, the Company has complied with section 177 and 188 of the Companies Act 2013 in relation to transaction with related parties and the details have been disclosed in the standalone Financial Statements as required by

applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.

xv. As per the information & explanations given to us the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45 IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Arun K Gupta & Associates

Chartered Accountants
Firm Registration No.000605N

GIREESH KUMAR GOENKA

Partner
Membership No. - 096655

Place: New Delhi

Dated: 30-04-2019

Standalone Balance Sheet

As at March 31, 2019

₹ in Lakhs

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	92,787.81	94,446.40
Capital work in progress	3	7,147.31	641.37
Other Intangible assets	4	5.02	5.60
Intangible Assets under Development	4	60.70	36.00
Financial Assets			
Investments	5	5.56	6.56
Loans	6	43.88	65.63
Other Financial Assets	7	30.06	9.42
Income Tax Assets (net)	8	39.85	78.50
Other non-current assets	9	1,662.75	924.33
Total Non Current Assets		1,01,782.94	96,213.81
Current Assets			
Inventories	10	17,268.80	19,370.39
Financial Assets			
Trade receivables	11	9,869.86	17,052.31
Cash & Cash Equivalents	12	2,415.25	889.39
Bank balances (other than cash and cash equivalents)	13	2,005.72	1,660.50
Loans	14	97.78	59.55
Other Financial assets	15	1,247.65	417.23
Other current assets	16	6,852.14	6,748.22
Total Current Assets		39,757.20	46,197.59
Assets classified as held for sale	17	-	1,340.12
Total Assets		1,41,540.14	1,43,751.52
EQUITY & LIABILITIES			
EQUITY			
Equity Share Capital	18	4,350.00	4,350.00
Other Equity	19	42,857.60	34,199.62
Total Equity		47,207.60	38,549.62
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	20	47,676.01	54,160.16
Other financial liabilities	21	908.58	722.67
Provisions	22	599.49	516.01
Deferred tax liabilities (Net)	23	5,882.27	4,117.83
Other non-current liabilities	24	2,392.00	1,966.06
Total Non Current Liabilities		57,458.35	61,482.73
Current Liabilities			
Financial Liabilities			
Borrowings	25	7,017.82	9,852.50

Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	26	189.46	338.59
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	26	17,709.19	22,067.44
Other financial liabilities	27	8,864.36	10,268.49
Other current liabilities	28	2,599.72	609.06
Provisions	29	284.01	231.06
Income Tax Liabilities (net)	30	209.63	112.03
Total Current Liabilities		36,874.19	43,479.17
Liabilities directly associated with assets classified as held for sale	31	-	240.00
Total Equity and Liabilities		1,41,540.14	1,43,751.52
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
 Firm Registration No. 000605N
 Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
 Partner
 Membership No. 096655

Madhu Sudhan Bhageria
 Chairman & Managing Director
 DIN : 00021934

Swarup Chandra Parija
 Independent Director
 DIN : 00363608

Place : New Delhi
 Date : April 30, 2019

Anil Dutt Mohla
 Chief Financial Officer

Raman Kumar Jha
 Company Secretary

Standalone Statement of Profit & Loss

For the year ended March 31, 2019

₹ in Lakhs

Particulars	Notes	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Income:			
Revenue from operations	32	2,87,409.78	1,97,445.03
Other Income	33	1,178.75	1,109.32
Total Income (I)		2,88,588.53	1,98,554.35
Expenses:			
Cost of materials consumed	34	2,32,789.54	1,52,984.90
Purchases of stock-in-trade		2,310.24	3,479.84
(Increase)/decrease in Inventories of finished goods, work in progress & stock in trade	35	1,355.53	(1,350.98)
Excise Duty on sale of goods		-	4,685.87
Employee benefits expense	36	6,323.91	4,874.74
Finance cost	37	5,470.35	4,410.43
Depreciation & amortization expense	3 & 4	4,497.39	3,082.47
Other Expenses	38	22,978.82	17,115.06
Total Expenses (II)		2,75,725.78	1,89,282.33
Profit/(loss) before exceptional items & tax		12,862.75	9,272.02
Exceptional Items [Profit/(Loss)] (refer note 54)		234.22	-
Profit/(loss) before tax		13,096.97	9,272.02
Tax Expense:			
Current tax	23	2,830.26	1,968.17
Deferred tax	23	1,782.11	1,325.47
Total tax expense		4,612.37	3,293.64
Net profit/(loss) after tax		8,484.60	5,978.38
Other Comprehensive Income/ (loss)			
A. (i) Items to be reclassified to profit or loss		-	-
(ii) Income tax relating to items to be reclassified to profit or loss		-	-
B. (i) Items not to be reclassified to profit or loss			
Re-measurement of defined benefit plans		(2.83)	47.67
(ii) Income tax relating to items not to be reclassified to profit or loss		0.99	(16.66)
Total Comprehensive Income/ (Loss)		8,482.76	6,009.39
Earnings Per Share (EPS) in Rupees (Face value of Rs. 2/- per share)			
-Basic	39	3.90	2.75
-Diluted	39	3.83	2.71
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

GIREESH KUMAR GOENKA
Partner
Membership No. 096655

Place : New Delhi
Date : April 30, 2019

For and on behalf of the Board of Directors of
Filatex India Limited

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN : 00021934

Anil Dutt Mohla
Chief Financial Officer

Swarup Chandra Parija
Independent Director
DIN : 00363608

Raman Kumar Jha
Company Secretary

Statement of Changes in Equity

As at March 31, 2019

A. Equity Share Capital (Refer Note-18)

₹ in Lakhs

Equity shares of Rs. 2/- per share (previous year Rs. 10/- per share) issued, subscribed and fully paid	Number of Shares	Amount
As at April 01, 2017	4,35,00,000	4,350.00
Increase/(decrease) during the year	-	-
As at 31st March 2018	4,35,00,000	4,350.00
Increase on account of Share Split	17,40,00,000	-
Increase/(decrease) during the year	-	-
As at 31st March 2019	21,75,00,000	4,350.00

B. Other Equity

₹ in Lakhs

Particulars	Share application money pending allotment	Reserves and Surplus						Other Comprehensive Income	Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Share based option outstanding	Retained Earnings		
Balance as at April 01, 2017	-	1,253.11	1,250.00	9,734.30	350.43	32.60	15,541.05	-	28,161.49
Profit for the Year	-	-	-	-	-	-	5,978.38	-	5,978.38
Share based compensation to employees	-	-	-	-	-	28.74	-	-	28.74
Other Comprehensive Income:									
Re-measurement of defined benefit plans	-	-	-	-	-	-	31.01	-	31.01
Total Comprehensive Income for the year	-	-	-	-	-	28.74	6,009.39	-	6,038.13
Balance as at March 31, 2018	-	1,253.11	1,250.00	9,734.30	350.43	61.34	21,550.44	-	34,199.62
Profit for the Year	-	-	-	-	-	-	8,484.60	-	8,484.60
Share based compensation to employees	-	-	-	-	-	62.16	-	-	62.16
Subscription to stock option scheme [refer note i)]	113.06								113.06
Other Comprehensive Income:									
Re-measurement of defined benefit plans	-	-	-	-	-	-	(1.84)	-	(1.84)
Total Comprehensive Income for the year	113.06	-	-	-	-	62.16	8,482.76	-	8,657.98
Balance as at March 31, 2019	113.06	1,253.11	1,250.00	9,734.30	350.43	123.50	30,033.20	-	42,857.60

i) Date of Allotment of Filatex ESOS - 2015 "ESOS" is 17th April, 2019

ii) Refer note 19 for nature and purpose of reserves

The accompanying notes are an integral part of financial statement.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
 Firm Registration No. 000605N
 Chartered Accountants

GIREESH KUMAR GOENKA
 Partner
 Membership No. 096655

Place : New Delhi
 Date : April 30, 2019

For and on behalf of the Board of Directors of
Filatex India Limited

Madhu Sudhan Bhageria
 Chairman & Managing Director
 DIN : 00021934

Anil Dutt Mohla
 Chief Financial Officer

Swarup Chandra Parija
 Independent Director
 DIN : 00363608

Raman Kumar Jha
 Company Secretary

Standalone Cash Flow Statement

For the year ended March 31, 2019

₹ in Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Cash flow from operating activities		
Net profit / (loss) before tax	13,096.97	9,272.02
Adjustments for:		
- Depreciation/amortization	4,497.39	3,082.47
- Loss/(profit) on Property, Plant & Equipment sold/discarded (net)	(17.51)	21.68
- Employee Stock Option expense	62.16	28.74
- Remeasurement of Employee Benefit Expenses	(2.83)	47.67
- Investment Written off	11.68	-
- Unrealised foreign exchange Loss/ (profit) (net)	(811.94)	114.63
- Unrealised Marked to Market (Gain)/Loss	410.06	56.79
- Provisions/liabilities no longer required, written back	(44.22)	(24.86)
- Processing Fees on Long term Loans	514.43	175.99
- Exceptional Items (Profit on sale of land)	(234.22)	-
- Interest expense	3,403.47	2,659.35
- Interest income	(484.91)	(643.34)
- Dividend income	(12.24)	(46.99)
Operating profit before working capital changes	20,388.29	14,744.15
Movements in working capital :		
Decrease/ (increase) in trade receivables	7,166.78	2,976.94
Decrease/ (increase) loans and advances/other current assets	(158.22)	(4,811.87)
Decrease/ (increase) in inventories	2,101.59	(4,456.81)
Increase / (decrease) in trade & other payable / provisions	(1,677.86)	12,251.06
Cash generated from operations	27,820.58	20,703.47
Direct taxes paid	(2,710.69)	(1,757.81)
Net cash flow from operating activities (a)	25,109.89	18,945.66
Cash flow from investing activities		
Purchase of Property, Plant & Equipment (Including Capital Advances)	(8,664.01)	(31,274.85)
Proceeds from sale of Property, Plant & Equipment (Including advances received)	161.10	907.54
Purchase of Investment	(5.56)	1.47
Sale of Investment	0.06	-
(Increase)/Decrease in deposits	(347.86)	(239.66)
(Increase)/Decrease in unpaid Dividend Account	2.64	-
Interest received	496.82	546.99
Dividend received	12.24	46.99
Net cash flow from/(used in) investing activities (b)	(8,344.57)	(30,011.52)
Cash flow from financing activities:		
Share Application Money received against ESOS	113.06	-
Proceeds from long-term borrowings from banks	1,354.25	27,731.57
Proceeds from long-term borrowings from others	869.75	100.00
Payment of transaction cost related to borrowings	(525.84)	(1,498.31)
Repayment of long term borrowings from Banks	(8,753.08)	(5,537.66)
Repayment of long term borrowings from others	(1,135.83)	(809.05)

Net Proceeds/(repayment) from/of short-term borrowings	(2,780.29)	(4,535.11)
Interest paid	(4,381.48)	(3,554.25)
Net cash flow from/(used in) in financing activities (c)	(15,239.46)	11,897.19
Net increase/(decrease) in cash and cash equivalents (a + b + c)	1,525.86	831.33
Cash and cash equivalents at the beginning of the year	889.39	58.06
Cash and cash equivalents at the end of the year	2,415.25	889.39
Components of cash and cash equivalents		
Cash on hand	13.64	12.34
Balance with scheduled Banks :		
- on Current account ^	2,401.61	377.05
- on deposit account	2,004.06	1,656.20
- unpaid dividend accounts*	1.66	4.30
- Cheques, draft on hand	-	500.00
Cash and Bank Balances	4,420.97	2,549.89
Less: Fixed Deposits not considered as cash and cash equivalents		
- Deposits pledged with banks	2,004.06	1,656.20
- Unpaid dividend account	1.66	4.30
Cash & Cash Equivalents	2,415.25	889.39

^ Includes Rs. 113.06 Lakhs (previous year Nil) that are not available for use by the Company as they represent Share application money received against ESOS.

* These balances are not available for use by the Company as they represent corresponding unpaid dividend liability.

The accompanying notes are an integral part of financial statement.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
 Firm Registration No. 000605N
 Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
 Partner
 Membership No. 096655

Madhu Sudhan Bhageria
 Chairman & Managing Director
 DIN : 00021934

Swarup Chandra Parija
 Independent Director
 DIN : 00363608

Place : New Delhi
 Date : April 30, 2019

Anil Dutt Mohla
 Chief Financial Officer

Raman Kumar Jha
 Company Secretary

Notes to Financial Statements

For the year ended 31 March 2019

1. Corporate information

Filatex India Ltd. ('The Company') is a Public Limited Company incorporated in India. The address of its Registered Office is S.No. 274, Demni Road, Dadra - 396191 (U.T of Dadra & Nagar Haveli) and Corporate office is 43, Community Centre, New Friends Colony, New Delhi - 110025, India. The main business of the Company is manufacturer of Polyester Chips, Polyester/Nylon/Polypropylene Multi & Mono Filament Yarn and Narrow Fabrics. The Company is listed on BSE Limited and National Stock Exchange of India Limited.

The financial statements were authorised by the Board of Directors for issuing accordance with a resolution passed on April 30, 2019.

2. Significant accounting policies

The significant accounting policies applied by The Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

2.1 Basis of preparation of Financial Statements

a) Statement of compliance with Ind AS:

These financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') under the Historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act 2013 ("The Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

b) Basis of measurement

These financial statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS :

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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 is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Where required/appropriate, external valuers are involved.

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy established by Ind As 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly(i.e. as prices) or indirectly(i.e. derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Current non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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 current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

d) Functional and presentation currency

Items included in the financial statements of The Company are measured using the currency of the primary economic environment in which The Company operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of The Company.

e) Rounding of amounts:

All amounts disclosed in the financial statements and notes are in Indian Rupees in lakhs rounded off to two decimal places as

permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an “ongoing basis”. Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Revenue recognition

Sale of goods

Effective April 1, 2018, the company has adopted Ind-AS 115 “Revenue from Contracts with Customers” using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the financial statements. The adoption of the standard did not have any material impact to the financial statements of the company.

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to The Company and the revenue can be reliably measured.

Claim on insurance company and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on “acceptance basis”.

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that The Company will comply with the conditions attached to them and the export benefits will be received

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

Dividend

Dividend income is recognized when The Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to The Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises –

- i. its purchase price, including import duties and non –refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with The Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment

is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The Company identifies and determines cost of each component/ part of the plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

On transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. In accordance with provisions of Ind AS 101 First time adoption of Indian Accounting Standards, The Company, for certain properties, has elected to adopt fair value and recognized as of April 1, 2016 as the deemed cost as of the transition date. The resulting adjustments have been directly recognized in retained earnings. The balance assets have been recomputed as per the requirements of Ind AS retrospectively as applicable.

Depreciation:

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of The Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of Assets	Useful life in Years
Leasehold Land	Over Lease Period i.e. 198 years
Buildings	
Factory Building	30 years
Non Factory Buildings	60 years
Leasehold Improvements	10 years 5 – 25 years
Plant and Machinery *	
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 - 10 years
Computers	3 years

*Based on internal technical evaluation and external advise received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over

which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs. 5000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

2.5 Intangible assets

Identifiable intangible assets are recognised when The Company controls the asset, 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.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development. This comprises expenditure on ERP software license fee and its configuration and customization.

Intangible assets are derecognised (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised as income or expense in the statement of profit and loss.

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all Intangible assets were carried at in the Balance Sheet on basis of historical cost. The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Amortisation:

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets from the date when the

asset are available for use, on pro-rata basis. Estimated useful lives by major class of finite-life intangible assets are as follows:

Type of Assets	Useful life in Years
Computer Software	5 Years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

2.6 Financial instruments

Financial Assets:

Initial recognition and measurement:

Financial assets are recognised when The Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at

- amortised cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Equity Instruments:

Investment in subsidiaries are measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless The Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently

reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

The Company does not have any equity investments designated at FVOCI.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset:

In accordance with Ind AS 109, The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require The Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, The Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

Financial Liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by The Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are recognised when The Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If The Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to The Company, the difference between the loan amount and its fair value is treated as an equity contribution to The Company.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss, unless and to the extent capitalised as part of costs of an asset.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

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.

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 or loss.

Off setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognised amount and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.7 Impairment of Non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.8 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

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

2.9 Foreign currency transactions

The financial statements are presented in Indian Rupees (INR), the functional currency of The Company. Items included in the financial statements of The Company are recorded using the currency of the primary economic environment in which The Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Under Previous GAAP, The Company had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period.

2.10 Leases

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

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance lease:

Assets held under finance leases are initially recognised as assets of The Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with The Company's policy on borrowing cost. Contingent rentals are recognised as expenses in the periods in which they are incurred.

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.

Operating lease:

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.

- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.12 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits :

i) Defined contribution plan

The defined contribution plan is post employment benefit plan under which The Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

2.13 Share-Based Payments:

Employees of The Company receive remuneration in the form of share based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated by an independent valuer on the basis of Black Scholes model.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. When the options are exercised, The Company issues fresh equity shares.

2.14 Government Grant:

Government grants are recognised only when there is reasonable assurance that The Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which The Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants :

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

2.15 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

(a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and

(b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,

- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

2.16 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are

re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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

2.17 Provisions and contingencies

Provisions:

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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where The Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities

A contingent liability 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 but is not recognised because :

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence 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.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.18 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

The Company is engaged in manufacture and trading of synthetic yarn and textiles which is considered as the only reportable business segment. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates The Company's performance and allocates resources based on analysis of various performance indicators by geographical areas only

2.19 Related party

A related party is a person or entity that is related to the reporting entity and it includes :

(a) A person or a close member of that person's family if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of the following conditions apply:

- (i) The entity and the reporting entity are members of the same Group.
- (ii) One entity is an associate or joint venture of the other entity.
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the

entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- (a) that person's children, spouse or domestic partner, brother, sister, father and mother;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per Ind As 24.

2.20 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by The Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.21 Cash Flow Statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and
- iii. all other items for which the cash effects are investing or financing cash flows.

2.22 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of The Company

by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e. the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of The Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

2.23 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.24 Exceptional Items

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of The Company is treated as an exceptional item and the same is disclosed in the financial statements.

2.25 Corporate Social Responsibility (CSR) expenditure

The Company charges its CSR expenditure during the year to the statement of profit & loss.

2.26 New and amended standards and interpretations: issued but not yet effective

The Company is still evaluating the applicability and relevance of certain new standards & interpretations to existing standards issued, but not yet effective, upto the date of issuance of The Company's financial statements, on The Company's operations and its impact on the financial statements of The Company in terms of results, presentation or disclosure. Those that may be relevant to The Company are set out below. Effective date for application of these amendments is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendments.

The impact of the new Standards are identified to be insignificant for the current recognition and measurement.

Ind AS 116 Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and

the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- » Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- » Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.
Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
 - » Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
 - » An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to

use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Amendment to Ind AS 19 – Plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

3. Property, Plant and Equipment

₹ in Lakhs

Particulars	Land		Building	Lease Hold Improvements	Plant & Machinery [refer note (i) and (ii) below	Furniture & Fittings	Vehicles	OFFICE EQUIPMENT'S	Computer	Total Property, Plant and Equipment's	Capital Work in Progress		Total Capital Work in Progress
	Free Hold	Lease Hold									Building	Plant & Machinery	
Gross Carrying Value as at April 01, 2017	2,806.64	4,550.01	9,516.44	88.84	47,919.16	213.32	240.66	98.65	63.76	65,497.48	306.52	266.22	572.74
Additions	-	-	1,879.97	-	33,289.61	13.89	136.38	27.64	61.07	35,408.56	258.46	382.91	641.37
Sales/Adjustments	-	-	-	-	(227.69)	(49.52)	(73.97)	(20.55)	-	(371.73)	(306.52)	(266.22)	(572.74)
Reclassification to assets held for sale	-	(603.92)	(131.75)	-	(1,082.60)	-	-	-	-	(1,818.27)	-	-	-
Gross Carrying Value as at March 31, 2018	2,806.64	3,946.09	11,264.66	88.84	79,898.48	177.69	303.07	105.74	124.83	98,716.04	258.46	382.91	641.37
Additions	-	-	1,576.89	-	432.52	32.11	169.72	36.39	42.02	2,289.65	1,054.49	6,092.82	7,147.31
Sales/Adjustments	-	-	(89.99)	-	(188.02)	(1.44)	(48.00)	(9.40)	(5.20)	(342.05)	(258.46)	(382.91)	(641.37)
Reclassification from assets held for sale	433.10	-	317.93	-	-	-	-	-	-	751.03	-	-	-
Gross Carrying Value as at March 31, 2019	3,239.74	3,946.09	13,069.49	88.84	80,142.98	208.36	424.79	132.73	161.65	1,01,414.67	1,054.49	6,092.82	7,147.31

₹ in Lakhs

Particulars	Land		Building	Lease Hold Improvements	Plant & Machinery [refer note (i) and (ii) below	Furniture & Fittings	Vehicles	Office Equipment's	Computer	Total Property, Plant and Equipment's	Capital Work in Progress		Total Capital Work in Progress
	Free Hold	Lease Hold									Building	Plant & Machinery	
Accumulated Depreciation as at April 01, 2017	-	37.79	285.20	6.13	2,225.57	25.27	37.63	28.40	13.54	2,659.53	-	-	-
Depreciation Expenses	-	23.95	379.67	8.46	2,534.68	27.21	51.04	22.49	23.39	3,070.89	-	-	-
Deductions/Adjustments	-	-	-	-	(175.24)	(47.57)	(42.09)	(19.40)	-	(284.30)	-	-	-
Reclassification to assets held for sale	-	(18.27)	(87.77)	-	(1,070.44)	-	-	-	-	(1,176.48)	-	-	-
Accumulated Depreciation as at March 31, 2018	-	43.47	577.10	14.59	3,514.57	4.91	46.58	31.49	36.93	4,269.64	-	-	-
Depreciation Expenses	-	19.52	496.95*	8.46	3,800.20	34.84	70.21	27.83	38.80	4,496.81	-	-	-
Deductions/Adjustments	-	-	-	-	(158.53)	(1.22)	(19.75)	(8.05)	(5.13)	(192.68)	-	-	-
Reclassification from assets held for sale	-	-	53.09	-	-	-	-	-	-	53.09	-	-	-
Accumulated Depreciation as at March 31, 2019	-	62.99	1,127.14	23.05	7,156.24	38.53	97.04	51.27	70.60	8,626.86	-	-	-
Net Carrying Value as at March 31, 2018	2,806.64	3,902.62	10,687.56	74.25	76,383.91	172.78	256.49	74.25	87.90	94,446.40	258.46	382.91	641.37
Net Carrying Value as at March 31, 2019	3,239.74	3,883.10	11,942.35	65.79	72,986.74	169.83	327.75	81.46	91.05	92,787.81	1,054.49	6,092.82	7,147.31

* Includes Rs. 10.06 Lakhs on reclassification from assets held for sale

i) Plant & Machinery includes cost of Rs.342.93 Lakhs (previous year Rs.342.93 Lakhs) of water supply connection from GIDC and Rs. 101.00 Lakhs (Previous Year Rs. 101.00 Lakhs) being cost of electricity transmission lines not owned by The Company being enabling assets.

ii) Foreign Exchange differences on long term foreign currency loans (as permitted by para. D13AA of Ind AS 101) aggregating Gain of Rs. 83.52 Lakhs (Previous year loss Rs. 937.92 Lakhs) decapitalised/capitalised during the year. The accumulated foreign exchange fluctuation capitalised is Rs. 4,730.73 Lakhs (Upto Previous year Rs. 4,814.25 lakhs).

iii) Expenditure incurred during construction period Nil (previous year Rs. 673.47 Lakhs) and borrowing cost Nil Lakhs (previous year Rs. 2,290.12 Lakhs) has been capitalised. (Refer note 52)

iv) Capital work-in-progress includes expenditure incurred during construction period pending allocation aggregating Rs. 369.43 Lakhs (PY: Nil) and borrowing cost Rs. 172.22 Lakhs (PY: Nil) (Refer note 52)

v) Charge has been created against the aforesaid assets for the borrowings taken by The Company. (Refer note 20 and 25)

4. Intangible Assets

(₹ in Lakhs)

Particulars	Intangible Assets (Computer Software)	Intangible Assets under Development
Gross Carrying value as at April 01, 2017	55.04	-
Additions	1.70	36.00
Disposals	-	-
Gross Carrying Value as at March 31, 2018	56.74	36.00
Additions	-	24.70
Disposals	-	-
Gross Carrying Value as at March 31, 2019	56.74	60.70

(₹ in Lakhs)

Particulars	Intangible Assets (Computer Software)	Intangible Assets under Development
Accumulated Depreciation as at April 01, 2017	39.56	-
Depreciation Expenses	11.58	-
Disposals	-	-
Accumulated Depreciation as at March 31, 2018	51.14	-
Depreciation Expenses	0.58	-
Disposals	-	-
Accumulated Depreciation as at March 31, 2019	51.72	-
Net Carrying Value as at March 31, 2018	5.60	36.00
Net Carrying Value as at March 31, 2019	5.02	60.70

i) Intangible Assets under Development comprises of expenditure on computer ERP license fee and it's configuration and customization.

5. Non- Current Investments

(₹ in Lakhs)

Particulars	Face Value Per Share	As at March 31, 2019		As at March 31, 2018	
		No. of Shares	Value	No. of Shares	Value
Investments in equity shares					
In Subsidiary Company (Unquoted) Fully paid (at deemed cost)					
Filatex Global Pte Ltd.	USD 1	-	-	10,000	6.50
In Others (Quoted) fully paid at fair value through profit or loss (FVTPL)					
Tata Coffee Ltd.	Rs. 1	-	-	50	0.06
In Others (Unquoted) fully paid at fair value through profit or loss (FVTPL)					
Bhadreshwar Vidyut Private Limited (Shares kept with Park Energy Private Limited, an escrow agent)	Rs. 0.195	28,49,000	5.56	-	-
Total			5.56		6.56
Aggregate amount of quoted investments			-		0.06
Market value of quoted investments			-		0.06
Aggregate amount of unquoted investments			5.56		6.50
Aggregate amount of impairment in value of Investments			6.50		-

Investment Carried at Fair Value through Profit & Loss			5.56		0.06
Investment Carried at Fair Value through Other comprehensive Income			-		-
Investment Carried at Amortised Cost			-		6.50

Filatex Global Pte Ltd, a wholly owned subsidiary of the company in Singapore did not had any operation for the last many years, the Board of Directors of the company decided to dissolve it. Accordingly Filatex Global Pte Ltd has filed an application for striking off to Accounting and Corporate Regulatory Authority (ACRA) on March 07, 2019. The total financial impact of liquidation of Filatex Global Pte Ltd is Rs. 11.68 lakhs which has been charged off to the statement of profit & loss in year ending March 31, 2019

Particulars	Principal place of business	Ownership Interest	Accounted on *
Filatex Global PTE Ltd	Singapore	Wholly Owned	Measured at cost as per the provisions of Ind AS 27 ' Separate Financial Statements'

* The Company has made 100% impairment of the said Investment.

6. Non-Current Financial Assets - Loans (Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit	43.88	65.63
Total	43.88	65.63

7. Non Current Other Financial Assets (Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Receivable	1.70	-
Deposits with banks remaining maturity of more than 12 months (refer note 13)	28.36	4.25
Application money paid towards securities to related party [Filatex Global PTE LTD] (refer note 45)	-	5.17
Total	30.06	9.42

8. Income Tax Assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax recoverable (net of provisions)	39.85	78.50
Total	39.85	78.50

9. Other Non-Current Assets
(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	1,604.33	876.34
Deposit with excise/sales tax department under protest	40.93	40.94
Prepaid expenses	17.49	7.05
Total	1,662.75	924.33

10. Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials (includes Inventory in Transit Rs. 1515.42 Lakhs, previous year Rs. 1,911.83 Lakhs)	7,029.68	8,327.26
Work In Progress	1,138.94	922.07
Finished Goods (Including goods sold in transit Rs. 923.71 Lakhs, previous year Rs. 713.38 Lakhs)	6,883.72	8,456.12
Packing Material	1,093.46	787.61
Stores, Spares & Consumables (includes Inventory in Transit Rs. 165.71 Lakhs, previous year Nil)	1,123.00	877.33
Total	17,268.80	19,370.39

Inventories have been pledged as security for borrowings, refer note 20 and note 25 for details

11. Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured *	9,869.86	17,052.31
Trade receivables which have significant Increase in Credit risk	-	-
Trade receivables - Credit impaired	414.58	414.58
	10,284.44	17,466.89
Less: Allowance for doubtful trade receivables	414.58	414.58
Total	9,869.86	17,052.31

* Net of bill discounting Rs. 980.59 Lakhs (previous year Rs. 277.74 lakhs) under confirmed Letter of Credits (LC)

There are no trade or other receivables which are due from directors or other officers of the Company either severally or jointly with any other person. Also, there are no trade or other receivables which are due from firms or private companies, in which any director is a partner, a director or a member.

Trade Receivables have been pledged as security for borrowings, refer note 20 and note 25 for details

12. Cash and Cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Balances with Banks *	2,401.61	377.05
Cash on hand	13.64	12.34
Cheques, draft on hand	-	500.00
Total	2,415.25	889.39

* Includes Rs. 113.06 Lakhs (previous year Nil) that are not available for use by the Company as they represent Share application money received against ESOS.

13. Bank Balances (other than Cash and Cash equivalent)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Earmarked balances with bank		
Unpaid dividend a/c *	1.66	4.30
Other Bank balances :-		
Deposits with original maturity of less than 3 months **	172.44	-
Deposits with original maturity for more than 3 months but upto 12 months **	1,827.62	1,656.20
Deposits with original maturity of more than 12 months **	32.36	4.25
Total (B)	2,032.42	1,660.45
Less : Amount disclosed under non current financial assets (refer note 7)	28.36	4.25
Total	2,005.72	1,660.50

* These balance are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

** Deposits are in the nature of Margin Money pledged with banks against Bank Guarantee's given/Letter of Credit's established by the bank

14. Current Financial Assets - Loans

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to Employees	97.78	59.55
Total	97.78	59.55

15. Other Current Financial assets

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Insurance claims receivable	275.29	273.71
Interest Receivable	972.36	143.52
Total	1,247.65	417.23

16. Other current assets
(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to suppliers	793.65	391.20
Deposit with related parties (refer note 45)	15.60	9.60
GST Refund claim with statutory authority	1,556.51	1,982.18
Balance with the statutory/ Government authorities	4,122.28	3,897.25
Export Incentive Receivable	68.97	71.65
Duty Credit Script/ MEIS in hand	31.78	60.83
Prepaid expenses	107.26	181.57
Others	156.09	153.94
Total	6,852.14	6,748.22

17. Assets held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Lands	-	1,019.15
Building	-	308.82
Plant & machinery	-	12.15
Total	-	1,340.12

LAND AND BUILDING AT NANI TAMBADI

The Company had acquired Land at Nani Tambadi for setting up of Multi Filament Yarns facility with continuous polymerisation plant. Due to problems created by local villagers and undue delay in statutory clearances, the project had to be shifted to Dahej, Gujarat. Consequent to this the Company has decided to sell the said land and building constructed thereon during the previous year. The Company had entered into an agreement to sell the land & building and had received advance. On receipt of Pending approvals and NOC from concerned authority, The closure of the deal was likely to completed in FY 2018-19. However, the NOC and approval from the concerned authority could not be obtained and thus the agreement was mutually terminated. The asset has been reinstated to Property, Plant and Equipment in the current year.

18. Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
30,00,00,000 Equity Shares of Rs 2/- each (31st March 2018 : 4,50,00,000 equity shares of Rs. 10/- each)	6,000.00	4,500.00
Total	6,000.00	4,500.00
Issued, subscribed and fully paid-up shares		
21,75,00,000 Equity Shares of Rs. 2/- each fully paid (31st March 2018 : 4,35,00,000 equity shares of Rs. 10/- each fully paid)	4,350.00	4,350.00
Total	4,350.00	4,350.00

Increase in Authorised Share Capital

The Company has increased its Authorised share capital from Rs. 4,500 lakhs to Rs. 6,000 lakhs vide share holder's approval at the Annual General meeting held on September 27, 2018.

Sub Division of equity Shares

Pursuant to shareholders approval at the Extra ordinary General Meeting held on June 15, 2018, the Company sub divided the face value of equity shares of Rs. 10/- per share into five equity shares of Rs. 2 per share on the record date June 28, 2018.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Equity Shares

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
At the beginning of the Period	4,35,00,000	4,350.00	4,35,00,000	4,350.00
Add: Increase on account of Share Split	17,40,00,000	-	-	-
Add : Shares issued during the Period	-	-	-	-
Outstanding at the end of the year	21,75,00,000	4,350.00	4,35,00,000	4,350.00

b. Terms / rights attached to equity shares

1. The Company has only one class of equity shares having a par value of Rs.2/- per share (previous year Rs. 10/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares*	% Holding	No. of Shares	% Holding
Equity shares of Rs. 2/- each fully paid up (Previous year Rs. 10/- each fully paid up)				
Madhu Sudhan Bhageria	1,93,11,799	8.88%	37,54,693	8.63%
Purshottam Bhaggeria	2,17,36,798	9.99%	42,39,693	9.75%
Madhav Bhageria	2,19,24,798	10.08%	42,77,293	9.83%
Azimuth Investments Ltd.	1,56,25,000	7.18%	31,25,000	7.18%
Janus Infrastructure Projects Private Limited	1,35,00,000	6.21%	27,00,000	6.21%

*** Adjusted for sub division of shares**

As per records of the Company including its register of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

d. Shares reserved for issue under Options:

For details of shares reserved for issue under the Employee Stock option Scheme (ESOS) of the company, (refer note 49)

Particulars	As at March 31, 2019	As at March 31, 2018
e. Shares held by holding company or its subsidiaries/their Associates	Nil	Nil

19. Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	1,253.11	1,253.11
Capital Redemption Reserve	1,250.00	1,250.00
Securities Premium	9,734.30	9,734.30
General Reserve	350.43	350.43
Employee Stock Option Outstanding	123.50	61.34
Retained Earnings (Surplus)/(deficit)	30,003.37	21,518.77
Total Reserve and Surplus	42,714.71	34,167.95
Share Application Money received against Filatex ESOS 2015 scheme *	113.06	-
Other Comprehensive Income (OCI)	29.83	31.67
Total	42,857.60	34,199.62

* Amount includes Rs. 11.47 lakhs (previous year nil) received from KMP's (refer note 45).

Nature and Purpose of Reserves

a) Capital Reserve

Capital Reserve was created under the previous GAAP on account of Capital profit in settlement with IDBI Bank and on redemption of certain preference shares.

b) Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of Preference shares out of the profits of the Company in accordance with the requirements of Companies Act.

c) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. This can be utilized in accordance with the provisions of the Companies Act, 2013.

d) General Reserve

This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

e) Employee Stock Option Outstanding

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

f) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to the shareholders.

20. Non Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
From Banks		
(i) Term Loans		
- Rupee loans	10,937.97	16,928.48
- Foreign currency loans	7,949.89	6,455.20
- External Commercial Borrowing (ECB)	21,017.95	23,421.75
(ii) Vehicle Loans	176.93	93.32
Total	40,082.74	46,898.75
Less : Current maturity (refer note 27)	4,723.05	6,548.48
Net Long Term Borrowings (Banks)	35,359.69	40,350.27
(iii) Buyers credit for capital goods	2,559.89	2,941.32
(iv) From a non banking financial institution		
- Term Loan	2,622.64	3,372.86
Less : Current maturity (refer note 27)	984.21	517.54
Net Long Term Borrowings (NBFC)	1,638.43	2,855.32
Total Secured Borrowings	39,558.01	46,146.91
Unsecured		
(v) From body corporate	8,118.00	8,013.25
Total Unsecured Borrowings	8,118.00	8,013.25
Total	47,676.01	54,160.16

I. Term loans

a) From banks under consortium arrangement Rs. 18,887.86 Lakhs (net of transaction cost of Rs. 124.75 Lakhs) [previous Year Rs. 23,383.68 Lakhs (net of transaction cost of Rs. 184.24 lakhs)], are secured by equitable mortgage created/extended by way of deposit of title deeds on pari passu basis in respect of immovable properties and first charge by way of hypothecation of company's all movable assets (save & except vehicles, plant & machinery and equipment acquired through specific loans), pledge of 4,82,41,500 equity shares of the face value of Rs. 2/- each of the Company held by the promoters, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party), personal guarantees of the promoter directors along with corporate guarantee of SMC Yarns Pvt Ltd (related party) upto value of the mortgage property. These loans are further secured by second pari passu charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future)

Rupee loan bear floating interest rate ranging from MCLR plus 2.10% to 3.45% p.a. while Foreign Currency Term Loan (FCTL) bear interest rate of 6 /12 Months Libor + 2.50% to 2.95% p.a. The loans are repayable in ballooning quarterly installments.

b) External Commercial Borrowings (ECB) From Foreign Consortium Banks

(i) Rs. 4,914.43 Lakhs (net of transaction cost Rs. 224.14 Lakhs) [previous Year Rs. 5954.57 Lakhs (net of transaction cost Rs. 348.46 Lakhs)], are secured by first priority exclusive charge over Fully Drawn Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 16 half yearly equal installments that commenced from December 2016 and bear Interest at 6M Euribor + 1.55% p.a.

(ii) Rs. 15,232.96 Lakhs (net of transaction cost Rs. 1,248.80 Lakhs) [previous Year Rs. 17,467.18 Lakhs (net of transaction cost Rs. 1546.11 Lakhs)], are secured by first priority exclusive charge over Fully Drawn Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 20 half yearly equal installments that will commence from September 2018 and bear Interest at 6M Euribor + 1.10% p.a.

(iii) Rs. 870.56 Lakhs (net of transaction cost Rs. 462.09 Lakhs) [previous Year Rs. Nil], are secured by first priority exclusive charge over Partial Oriented Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 16 half yearly equal installments that will commence from March 2019 and bear Interest at 6M Euribor + 0.80% p.a.

II. Vehicle loans are secured by hypothecation of specific vehicles acquired out of proceeds of the Loans. The said loans carry interest rate which varies from 8.25% to 11.50% p.a and repayable in 36 - 60 Equated Monthly installments.

III. Buyers' Credit for capital goods amounting to Rs. 2,559.89 Lakhs (Previous Year Rs. 2,941.32 Lakhs) secured by Letters of Undertaking (LOUs) / Letter of Comfort (LOCs) issued by consortium of banks. LOUs / LOCs facility is secured by equitable mortgage created by way of deposit of title deeds on pari passu basis in respect of immovable properties and first charge by way of hypothecation of company's all movable assets (save & except inventories, book debts, vehicles, plant & machinery acquired through specific loans), pledge of 4,82,41,500 equity shares of the face value of Rs. 2/- each of the Company held by the promoter directors, equitable mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of the promoter directors along with corporate guarantee of SMC Yarns Pvt Ltd (related party) to the extent of value of property on pari-passu basis. These loans are further secured by second pari passu basis charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future). The loan bears floating interest 6/12 Months Libor plus 0.72% to 2.30% p.a.

IV. From a non banking financial institution

a) Rs. 810.90 Lakhs (net of transaction cost Rs. 3.24 Lakhs) [Previous year Rs. 889.04 Lakhs (net of transaction cost Rs. 4.10 Lakhs)] is collaterally secured by mortgage created by way of deposit of title deeds in respect of the immovable property belonging to promoters group, and are further secured by corporate guarantee of Azimuth Investments Limited, Promoter's group company (related party) restricted upto the value of property. The loan carries floating interest rate of RFRR - 9.20% i.e. 11.00% p.a. presently and repayable in 120 equated monthly installments that started from May, 2016.

b) Rs. 1,811.74 lakhs (net of transaction cost Rs. 6.45 Lakhs) [previous year Rs. 2483.82 lakhs (net of transaction cost Rs. 16.18 Lakhs)] is collaterally secured by mortgage created by way of deposit of title deeds in respect of immovable property belonging to Elevate Developers Private Limited, (Related party) and are further secured by pledge of 77,50,000 equity shares of face value of Rs. 2/- each held by the promoter group companies. The loan carries floating interest rate of base rate plus 0.30% i.e. 13.25% p.a presently and is repayable in 11 equal quarterly installments starting from October 2018 after a moratorium of 15 months.

V. Unsecured Loans - From body corporates carrying interest @ 9% - 15% p.a. and are payable after 15 months to 36 months from the date of receipt.

21. Non Current Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Dealer's Deposits	589.70	598.31
Deferred Payments	-	124.36
Derivative Financial Liabilities (Foreign exchange forward contracts)	318.88	-
Total	908.58	722.67

22. Non Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity (refer note 47)	393.16	345.57
Provision for Leave Encashment	206.33	170.44
Total	599.49	516.01

23. Deferred tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Components of Income Tax Expense		
I. Tax expense recognised to Statement of Profit & Loss		
a) Current Tax :		
- Current year	2,830.85	1,968.77
- Adjustment/(credits) related to previous years (net)	(0.59)	(0.60)
Total (a)	2,830.26	1,968.17
b) Deferred Tax		
- Relating to origination and reversal of Temporary differences	4,612.96	3,294.24
- Minimum Alternate Tax (MAT) credit entitlement	(2,830.85)	(1,968.77)
Total (b)	1,782.11	1,325.47
Income tax expense reported in the Statement of Profit & Loss (a+b)	4,612.37	3,293.64
II. Tax on other comprehensive income		
Deferred Tax		
- (Gain)/loss on remeasurement of net defined benefit plans	(0.99)	16.66
Total	(0.99)	16.66
B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting Profit before income tax	13,096.97	9,272.02
India's statutory Income tax rate (%)	34.944%	34.944%
Tax on accounting profit at above rate	4,576.61	3,240.01
Adjustments in respect of Current Income tax of Previous years	(0.59)	(0.60)
Non-deductible/(deductible) expenses for Tax purposes		
- CSR expenditure	40.59	22.18
- Depreciation on leasehold land	4.72	(7.29)
- Difference in Tax rate on sale of Land (Capital Goods)	(30.36)	-
- Employee share based payment expense	21.72	10.04
- Reversal of Deferred tax liability on Fair valuation of land	(3.70)	1.40
- Earlier year MAT credit adjustment	(11.71)	-
- Effect of deferred tax balances due to the changes in Income tax rate	-	48.81
- Other non-deductible expenses	15.09	(20.91)
Income tax expense reported in the statement of Profit & Loss	4,612.37	3,293.64

i) The tax rate used for calculating deferred tax for FY 2018-19 and FY 2017-18 is 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

ii) The Indian Companies have to pay taxes based on the higher of Income-tax profit of the Company or MAT at 21.3416% of book profit for the year 2018-19 and 2017-18.

C. Movement in Deferred Tax Assets and Liabilities

(₹ in Lakhs)

Particulars	As at April 01, 2017	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2018	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2019
a) Deferred tax liability							
- On property, plant and equipment	8,160.93	2,847.14	-	11,008.07	2,464.08	-	13,472.15
- On fair value gain/(loss) on Property, Plant & Equipment	1,513.71	3.71	-	1,517.42	(205.07)	-	1,312.35
Total deferred tax liabilities	9,674.64	2,850.85	-	12,525.49	2,259.01	-	14,784.50
b) Deferred tax assets							
- On Provision for Doubtful Debts and advances	143.48	1.39	-	144.87	-	-	144.87
- On provision for compensated absences (Bonus & Leave encashment)	131.38	9.19	-	140.57	49.34	-	189.91
- On Gratuity and other Employee Benefits	151.52	19.44	-	170.96	29.73	-	200.69
- On fair valuation of forward contracts	(3.92)	3.92	-	-	-	-	-
- On exchange variation on capital goods charged to P&L	-	16.24	-	16.24	(174.78)	-	(158.54)
- On unabsorbed depreciation	3,898.29	(901.44)	-	2,996.85	(2,224.58)	-	772.27
- On deferred Income	326.91	391.21	-	718.12	(32.67)	-	685.45
Total deferred tax assets before MAT credit entitlement	4,647.66	(460.05)	-	4,187.61	(2,352.96)	-	1,834.65
Total deferred tax liabilities (Net) before MAT credit entitlement	5,026.98	3,310.90	-	8,337.88	4,611.97	-	12,949.85
Less: MAT Credit entitlement	2,251.28	1,968.77	-	4,220.05	2,847.53	-	7,067.58
Total deferred tax liabilities (Net)	2,775.70	1,342.13	-	4,117.83	1,764.44	-	5,882.27

D. Unabsorbed tax depreciation can be claimed for an infinite period

24. Non Current Other liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Income - Govt. Grant (refer note 48(a))	2,392.00	1,966.06
Total	2,392.00	1,966.06

25. Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
From Banks (Secured)		
(i) Working Capital :		
- Rupee loans	5,072.21	4,742.65
- Foreign currency loans	1,945.61	4,036.85
(ii) Short Term borrowing	-	1,073.00
Total	7,017.82	9,852.50

I. Working capital loans from consortium member banks are secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) on pari passu basis and are further secured by way of second charge on block of fixed assets of the Company save & except vehicles and plant & machinery acquired out of specific loan(s). These facilities are further secured by pledge of 4,82,41,500 equity shares of the face value of Rs. 2/- each of the Company held by promoter, equitable mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of promoter directors along with corporate guarantee of SMC Yarns Pvt Ltd (related party) to the extent of value of property i.e. Rs. 434.00 lakhs on pari passu basis. These loans are repayable on demand. Rupee working capital loan carry an interest at MCLR plus 2.10% to 2.60% p.a and foreign currency working capital loan carry an interest at 6M libor + 2.50% p.a.

II. Bill Discounting: The above does not include bill discounting of Rs. 980.59 Lakhs (previous year Rs. 277.74 lakhs) from banks against confirmed letter of credit which has been reduced from Trade Receivables (refer note 11).

26. Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payable		
Dues of other than micro, small & medium enterprises		
- Acceptances - Foreign	1,896.50	10,964.07
- Acceptances - Domestic	15,516.25	2,713.97
- Others	296.44	8,389.40
Dues of micro, small & medium enterprises (refer note 43)	189.46	338.59
Total	17,898.65	22,406.03

27. Current Other Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturity of long term borrowings (refer note 20)		
From Banks (secured)		
(i) Term Loans		
- Rupee loans	1,876.78	5,006.28
- External Commercial Borrowings	2,785.78	1,516.03
(ii) Vehicle Loans	60.49	26.17
From a Non Banking Financial Institution (secured)		
- Rupee loans	984.21	517.54
Interest accrued	132.96	111.64
Dealer's Deposit	64.03	90.91
Unpaid dividend (To be transferred to Investor Education & Protection Fund as and when due)	1.66	4.30
Expenses payable #	335.07	548.27
Derivative Financial Liabilities (Foreign exchange forward contracts)	91.18	56.79
Capital Creditors	1,474.79	1,187.19
Payable other than trade *	1,057.41	1,203.37
Total	8,864.36	10,268.49

Amount includes Rs. 85.40 lakhs (previous year Rs. 52.85 lakhs) payable to KMP's (refer note 45).

* Amount includes Rs. 19.67 lakhs (previous year nil) received from KMP's on account of Tax payment on ESOS (refer note 45).

28. Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	1,774.58	300.42
Deferred Income - Govt. grant (refer note 48(a))	88.03	88.03
Custom Duty payable against export obligation	515.44	-
Dues to statutory authorities	221.67	220.61
Total	2,599.72	609.06

29. Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity (refer note 47)	181.13	143.63
Provision for Leave Encashment	102.88	87.43
Total	284.01	231.06

30. Income Tax Liabilities (net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for tax (net of advance tax)	209.63	112.03
Total	209.63	112.03

31. Liabilities directly associated with assets classified as held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance received against asset held for sale	-	240.00
Total	-	240.00

32. Revenue from operations

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Sale of products	2,84,508.92	1,93,113.27 *
Sale of traded goods	2,334.78	3,827.78
Other operating revenue	566.08	503.98
Total	2,87,409.78	1,97,445.03

* Including excise duty amounting to Rs. 4,685.87 lakhs for Year ending March 31, 2018.

Other operating revenue comprising the following :

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Other operating revenue		
Sales of scrap	409.72	372.77
Export incentives earned	156.36	131.21
Total	566.08	503.98

33. Other Income

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Interest Income on		
a) Financial assets held at amortised cost		
Fixed deposits with banks	130.82	107.42
Others	346.50	520.10
b) Others		
Interest on Income Tax refund	7.59	15.82
Dividend Income		
Dividend on current investment in mutual funds	12.24	46.99
Other non-operating Income		
Net gain on sale of property, plant and equipment [Net of loss of Rs. 9.99 Lakhs (previous year Nil)]	17.51	-
Net gain on foreign currency transaction and translation	441.81	347.26
Government Grant (Refer note 48(a))	93.85	44.64
Insurance claim	59.96	-
Miscellaneous Income	24.25	2.23
Sundry balances written back	44.22	24.86
Total	1,178.75	1,109.32

34. Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Raw Material	2,23,796.56	1,45,916.81
Packing Material	8,230.79	6,438.21
Consumables	762.19	629.88
Total	2,32,789.54	1,52,984.90

35. (Increase)/ decrease in inventories

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Closing stock		
- Finished goods	6,883.72	8,456.12
- Work- In- Progress	1,138.94	922.07
Total	8,022.66	9,378.19
Opening stock		
- Finished goods	8,456.12	7,263.00
- Work- In- Progress	922.07	764.21
Total	9,378.19	8,027.21
- Total (increase)/decrease	1,355.53	(1,350.98)

36. Employee benefit expenses

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Salaries, wages and bonus	5,685.25	4,393.87
Contribution to provident & other funds	245.66	215.75
Employee Stock Option expense (refer note 49)	62.16	28.74
Gratuity (refer note 47)	74.54	89.87
Staff welfare expenses	256.30	146.51
Total	6,323.91	4,874.74

37. Finance Cost

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Interest		
- on term loans (refer note 48 (b))	1,831.25	1,643.68
- on working capital & others	1,536.51	1,015.67
- on defined benefit Plan	35.71	31.52
Exchange difference regarded as an adjustment to borrowing Cost	614.10	883.78
Other Borrowing cost	1,452.78	835.78
Total	5,470.35	4,410.43

38. Other expenditure

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Manufacturing Expenses		
Consumption of stores and spares	1,337.46	1,117.81
Power & Fuel	15,065.53	11,669.25
Increase/(decrease) in excise duty on finished goods inventory	-	(577.38)
Total manufacturing Expenses (A)	16,402.99	12,209.68
Selling Expenses		
Market Development Expenses	92.57	39.52
Freight outward	2,126.27	2,019.78
Commission on sales	2,257.45	1,080.88
Total selling expenses (B)	4,476.29	3,140.18
Administration and other expenses		
Rent	198.94	202.64
Repair & Maintenance - Machinery	196.98	186.62
- Building	106.85	72.95
- Other	194.58	136.50
Insurance	141.36	102.29
Rates & taxes	36.04	88.43
Auditor's remuneration (refer note 42)	19.41	17.57
Investment Written off	11.68	-
Electricity & Water expenses	64.76	56.99

Printing & stationery	47.72	37.21
Postage, telephone & telegram	50.74	52.71
Travelling & conveyance	316.94	267.03
Vehicle running & maintenance	229.72	177.38
Legal & professional charges	240.29	153.73
Director's sitting fees	8.60	5.72
Security services	6.70	10.66
"Expenditure towards Corporate Social Responsibility (refer note 41)"	116.15	63.48
General expenses	77.85	83.55
Donation & charity (Other than Political Parties)	4.99	1.29
Advertisement & publicity	12.71	10.92
Membership & subscription	16.53	15.85
Loss on sale/discarding of Property, Plant & Equipment [Net of profit of Nil (previous year Rs. 7.04 Lakhs)]	-	21.68
Total administrative & other expenses (C)	2,099.54	1,765.20
Total (A + B + C)	22,978.82	17,115.06

39. Earnings per share (EPS)

(₹ in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Net profit/(loss) for calculation of basic/diluted EPS (Rs. In Lakhs)	8,484.60	5,978.38
Reconciliation of number of shares		
Weighted average number of shares in calculating Basic EPS	21,76,14,682	21,75,00,000
Effect of Dilution:		
Effect of dilutive issue of stock option (ESOS)	40,77,200	34,09,158
Weighted average number of shares in calculating Diluted EPS	22,16,91,882	22,09,09,158
Nominal Value of each share	2	2
Earning per share:		
Basic (Rs.)	3.90	2.75
Diluted (Rs.)	3.83	2.71

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

Vide resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on June 15, 2018 the equity shares of the company with face value of Rs. 10 per share were sub-divided into 5 equity shares of Rs. 2 per share. Consequently, in accordance with Indian Accounting Standard (Ind AS) 33 - "Earning per share" the basis and diluted earnings per share of the previous periods have been retrospectively adjusted for comparative purpose.

The basic and diluted Earnings Per Share and number of shares used for computation of EPS have been adjusted retrospectively to give effect to the sub division of the shares from Rs. 10 face value to Rs. 2 face value. Refer note 18 for further details.

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

i) Contingent liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
A.Claims against The Company not acknowledged as debt		
a)Excise / Custom duty (Mainly relating to reversal of cenvat credit)	563.24	764.83
b) Amount of duty saved on import of plant & machinery under EPCG scheme on pending export obligations	519.80	2,732.06
c) Other Claims against The Company not acknowledged as debts	434.89	434.89
B Guarantees		
a) Letters of Credits	2,289.26	13,517.08
b) Unexpired Bank Guarantees	4,381.47	2,375.85
c) Export Bill Discounting	980.59	277.74
C Other money for which The Company is contingently liable	-	-

The Company does not expect any reimbursement in respect of the above contingent liabilities and it is not practicable to estimate the timings of the cash flows, if any. In respect of the matters pending resolution of the arbitration/ appellate proceedings and it is not probable that an outflow of resources will be required to settle the above obligations/ claims.

Based on the discussion with the solicitors and as advised, The Company believes that there are fair chances of decisions in its favor (in respect of the items listed in A (a) to A (c) above). Hence, no provision is considered necessary against the same.

ii) There are numerous interpretative issues relating to the Supreme Court Judgement on Provident Fund (PF) dated 28th February, 2019. As a matter of caution, the Company has made provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

iii) Capital & other commitments

a) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Property, Plant and equipment	7,482.03	8,353.53

b).Other commitments :

Export obligation of Rs 3,118.80 lakhs (previous year Rs. 16,392.35 lakhs) on account of duty saved on import of plant & machinery under EPCG scheme.

41 In light of Section 135 of the Companies Act, 2013, The Company has incurred expenses on Corporate Social responsibility (CSR) aggregating to Rs. 116.15 Lakhs (previous year Rs. 63.48 Lakhs).

Disclosure in respect of CSR expenditure is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Gross amount required to be spent by the Company during the year	115.89	63.28
b) Amount spent during the year on the following:		
1. Construction/acquisition of asset	63.42	22.13
2. On purposes other than 1 above	52.73	41.35

42. Statutory Auditor's Remuneration (Net of GST/Service tax)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Audit fees (including fees for limited review)	16.00	15.07
b) Tax audit fees	2.50	2.00
c) Certification charges	0.44	0.20
d) Out of pocket expenses	0.47	0.30
Total	19.41	17.57

43. Details of dues to Micro Small & Medium Enterprises Development (MSMED) Act, 2006

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
i) The principal amount & the interest due thereon remaining unpaid at the end of the year		
Principal Amount	189.46	338.59
Interest Due thereon	0.02	0.65
ii) Payments made to suppliers beyond the appointed day during the year		
Principal Amount	79.44	543.56
Interest Due thereon	0.51	2.84
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of the year; and	0.53	3.49
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprises as per MSMED Act, 2006 on the basis of information available with The Company and in cases of confirmation from vendors, interest for delayed payments has not been provided.

44 Segment Information

The Company is primarily engaged in manufacture and trading of synthetic yarn and textiles which is considered as the only reportable business segment. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates The Company's performance and allocates resources based on analysis of various performance indicators by geographical areas only.

INFORMATION ABOUT REPORTABLE SEGMENT

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
External revenue in the above reportable business segment	2,87,409.78	1,97,445.03

INFORMATION ABOUT GEOGRAPHICAL AREAS

a. Revenue from external customers

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Within India	2,46,336.72	1,60,188.78
Outside India	41,073.06	37,256.25
Total	2,87,409.78	1,97,445.03

b. Non current assets (other than financial instruments and tax assets)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Within India	1,01,663.59	96,053.70
Outside India	-	-
Total	1,01,663.59	96,053.70

c. Information about major customer :

There are no major customers contributing to more than 10% of the total revenue.

45 Related Party Disclosure:

(i) Names of related parties and nature of relationships:

a) Key managerial personnel:

i) Shri Madhu Sudhan Bhageria	(Chairman and Managing Director)
ii) Shri Purrshottam Bhaggeria	(Joint Managing Director)
iii) Shri Madhav Bhageria	(Joint Managing Director)
iv) Shri Ashok Chauhan	(Whole time Director)
v) Shri Brij Behari Tandon	(Independent - Non Executive Director)
vi) Shri Swarup Chandra Parija	(Independent - Non Executive Director)
vii) Shri Suraj Prakash Setia	(Independent - Non Executive Director)
viii) Smt. Pallavi Joshi Bakhru	(Independent - Non Executive Director)
ix) Shri Rajendra Prasad Gupta	(Chief Financial Officer) Retired on April 15, 2019
x) Shri Raman Kumar Jha	(Company Secretary)

b) Relative of key managerial personnel:

i) Smt. Anu Bhageria	(Wife of related party mentioned at a(i) above).
ii) Smt. Shefali Bhageria	(Wife of related party mentioned at a(ii) above).
iii) Smt. Gunjan Bhageria	(wife of related party mentioned at a(iii) above).
iv) Ms. Vrinda Bhageria	(Daughter of related party mentioned at a(i) above).
v) Mr. Yaduraj Bhageria	(Son of related party mentioned at a(ii) above).
vi) Mr. Vedansh Bhageria	(Son of related party mentioned at a(iii) above).
vii) Ms. Stuti Bhageria	(Daughter of related party mentioned at a(ii) above).
viii) Mr. Gopal Jha	(Brother of related party mentioned at a(x) above).

c) Subsidiary Company:

i) Filatex Global PTE Ltd. (Applied for Striking off to ACRA on March 07, 2019)

d) Enterprises owned or significantly influenced by key managerial personnel:

i.	Purrshottam Bhaggeria Family Trust
ii.	Nouvelle Securities Pvt Ltd
iii.	SMC Yarns Pvt Ltd
iv.	Vrinda Farms Pvt. Ltd.
v.	Maan Softech Private Limited
vi.	Azimuth Investments Limited
vii.	Janus Infrastructure Projects Private Limited
viii.	Elevate Developer Private Limited
ix.	Animate Infrastructure Private Limited
x.	Hill Estate Pvt. Ltd.

(ii) Transactions with related parties during the year :

(₹ in Lakhs)

Nature of Transactions		Nature of Relationship	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent paid				
Vrinda Bhageria		Relative of Key Management Personnel	16.20	14.40
Vedansh Bhageria			10.80	9.60
Yaduraj Bhageria			10.80	9.60
Vrinda Farms Private Limited		Enterprises owned or significantly influenced by Key Managerial Personnel	22.80	22.05
Maan Softech Private Limited			19.80	18.00
Purrshottam Bhaggeria Family Trust			24.00	21.60
Animate Infrastructure Private Limited			10.00	-
Security service paid				
Hill Estate (P) Ltd.		Enterprises owned or significantly influenced by Key Managerial Personnel	3.59	3.12
Sale of Asset (vehicle)				
Ashok Chauhan		Key Management Personnel	-	4.28
Amount Written off				
Filatex Global PTE Ltd.	Investment	Subsidiary Company	6.50	-
	Share Application money		5.17	-
Security Deposit given				
Animate Infrastructure Private Limited		Enterprises owned or significantly influenced by Key Managerial Personnel	6.00	-

Share Application Money received (against exercise price of ESOP)				
Ashok Chauhan		Key Managerial Personnel	5.18	-
Rajendra Prasad Gupta			5.18	-
Raman Kumar Jha			1.11	-
Money received against Tax on perquisite value of ESOP as on the date of exercise				
Ashok Chauhan		Key Managerial Personnel	10.29	-
Rajendra Prasad Gupta			8.22	-
Raman Kumar Jha			1.16	-
Unsecured Loan taken, paid and interest paid				
Nouvelle Securities (P) Ltd.		Enterprises owned or significantly influenced by Key Managerial Personnel		
Unsecured Loan	Taken		2,100.00	3,325.00
	Repaid		3,000.00	2,250.00
Interest Paid			174.47	137.14
Janus Infrastructure Projects Private Limited		Enterprises owned or significantly influenced by Key Managerial Personnel		
Unsecured Loan	Taken		800.00	-
	Repaid		-	-
Interest Paid			3.95	-
Managerial Remuneration (Including Commission)				
Madhu Sudhan Bhageria		Key Management Personnel		
- Short-term employee benefits			111.18	95.10
- Post-employment benefits			0.22	0.22
- Other long-term benefits			0.90	0.90
- Termination benefits			20.00	20.00
- Share-based payment			-	-
Purrshottam Bhaggeria				
- Short-term employee benefits			105.25	88.69
- Post-employment benefits			0.22	0.22
- Other long-term benefits			0.77	0.77
- Termination benefits			20.00	18.78
- Share-based payment			-	-
Madhav Bhageria				
- Short-term employee benefits			102.71	86.62
- Post-employment benefits			0.22	0.22
- Other long-term benefits			0.77	0.77
- Termination benefits			17.31	16.72
- Share-based payment			-	-
Ashok Chauhan				
- Short-term employee benefits			33.92	30.57
- Post-employment benefits			-	-
- Other long-term benefits			0.32	0.32
- Termination benefits			3.89	-
- Share-based payment		3.34	1.66	

Brij Behari Tandon	Key Management Personnel		
- Director Sitting Fees		2.20	1.51
Swarup Chandra Parija			
- Director Sitting Fees		2.10	1.40
Suraj Prakash Setia			
- Director Sitting Fees		2.10	1.30
Pallavi Joshi Bakhru			
- Director Sitting Fees		2.20	1.51
Rajendra Prasad Gupta			
- Short-term employee benefits		23.17	18.58
- Post-employment benefits		0.22	0.22
- Other long-term benefits		1.73	1.65
- Termination benefits		8.00	7.30
- Share-based payment		2.46	1.33
Raman Kumar Jha	Relative of Key Management Personnel		
- Short-term employee benefits		8.49	6.85
- Post-employment benefits		0.22	0.22
- Other long-term benefits		0.61	0.57
- Termination benefits		1.21	1.00
- Share-based payment		0.98	0.50
Vedansh Bhageria			
- Short-term employee benefits		7.50	-
- Post-employment benefits		0.20	-
- Other long-term benefits		0.49	-
- Termination benefits		0.07	-
- Share-based payment		-	-
Stuti Bhageria			
- Short-term employee benefits		3.96	-
- Post-employment benefits		0.05	-
- Other long-term benefits		0.15	-
- Termination benefits		-	-
- Share-based payment		-	-
Gopal Jha	Relative of Key Management Personnel		
- Short-term employee benefits		1.46	-
- Post-employment benefits		0.12	-
- Other long-term benefits		0.08	-
- Termination benefits		0.04	-
- Share-based payment		-	-
Sponsorship for Management Course	Relative of Key Management Personnel		
Vedansh Bhageria		32.97	-

(₹ in Lakhs)

Balance outstanding	Nature of Relationship	As at March 31, 2019	As at March 31, 2018
Managerial Remuneration (net of TDS)			
Madhu Sudhan Bhageria	Key Management Personnel	28.35	18.45
Purshottam Bhaggeria		28.45	17.15
Madhav Bhageria		28.60	17.25
Unsecured Loan			
Nouvelle Securities (P) Ltd.	Enterprises owned or significantly influenced by Key Managerial Personnel	1,325.00	2,225.00
Janus Infrastructure Projects Private Limited		800.00	-
Balance with Subsidiary Company (Filatex Global PTE Ltd)			
Share Application money	Subsidiary Company	-	5.17
Investment in Share Capital		-	6.50
Share Application Money received (against exercise price of ESOP)			
Ashok Chauhan	Key Managerial Personnel	5.18	-
Rajendra Prasad Gupta		5.18	-
Raman Kumar Jha		1.11	-
Money received against Tax on perquisite value of ESOP as on the date of exercise			
Ashok Chauhan	Key Managerial Personnel	10.29	-
Rajendra Prasad Gupta		8.22	-
Raman Kumar Jha		1.16	-
Security deposit (Rent)			
Vrinda Farms Private Limited	Enterprises owned or significantly influenced by Key Managerial Personnel	3.60	3.60
Maan Softech Private Limited		3.00	3.00
Purshottam Bhaggeria Family Trust		3.00	3.00
Animate Infrastructure Private Limited		6.00	-
Immovable Property mortgaged/Guarantee given against loan taken by The Company			
SMC Yarns Pvt. Ltd. (Realisable value of the property as per valuation report dated 06.01.2018 P.Y 06.01.2018) “	Enterprises owned or significantly influenced by Key Managerial Personnel	336.00	336.00
Azimuth Investments Ltd (Realisable value of the property as per valuation report dated 14.04.2014) “		527.00	527.00
Elevate Developer Private Limited (Realisable value of the property as per valuation report dated 24.03.2017) “		3,018.00	3,018.00
Satya Bhama Bhageria *	Relative of key Managerial Personnel	866.00	866.00
Anu Bhageria *			
Shefali Bhageria *			
Gunjan Bhageria *			
Vrinda Bhageria		841.34	786.30
Madhu Sudhan Bhageria #	Key Management Personnel	1,067.36	862.18
Purshottam Bhaggeria #		1,281.16	930.46
Madhav Bhageria #		1,501.25	1,073.17

Net worth as on 31st March, 2018 (previous year as on 31st March, 2017)

*Property jointly held by related parties and valuation of property as per valuation report dated 14th April, 2014

Grant of stock options to key managerial personnel (refer note no. 49)

Tranche 1 : (a) Mr. Ashok Chauhan - 2,50,000 Shares, (b) Mr. Rajendra Prasad Gupta - 2,00,000 Share and (c) Mr. Raman Kumar Jha - 75,000 Share of face value of Rs. 2/- per share

Tranche 2: (a) Mr. Ashok Chauhan - 87,500 Shares, (b) Mr. Rajendra Prasad Gupta - 60,000 Share and (c) Mr. Raman Kumar Jha - 25,000 Share of face value of Rs. 2/- per share

46. Leases :

(a) Operating Lease: Company as a lessee

General Description of leasing agreements:

The Company has various operating leases under cancellable operating lease arrangements for accommodation for employees and other assets which are renewable by mutual consent on mutually agreeable terms and range between 11 months to 10 years. The Company has given interest free refundable security deposit in accordance with the agreed terms. There are no restrictions imposed by these arrangements. There are no sub leases. The Company has not entered into any non cancellable lease.

Disclosures with respect to operating leases :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Operating lease payments recognised in the Statement of Profit and Loss under 'Rent'	198.94	202.64
- Contingent rents recognised as an expense	-	-

(b) Finance Lease:

The Company has entered into finance leases for leasehold land. These leases are generally for a period of 99 years. The land at Dahej, Gujrat can be extended for a further period of 99 years. No part of the land has been sub leased. Except for the initial payment, there are no material annual payments for the aforesaid leases. Refer Note 3 for carrying value.

47. Employee Benefits

Refer note 2.12 for accounting policy on Employee Benefits

A Defined contribution plans

- Provident Fund/Employees' Pension Fund
- Employees' State Insurance

The Company has recognised following amounts as expense in the Statement of Profit and Loss :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Included in contribution to Provident and Other Funds (Refer Note 36)		
Employer's contribution to Provident Fund/Employees' Pension Fund	244.29	213.55
Included in contribution to Provident and Other Funds (Refer Note 36)		
Contribution paid in respect of Employees' State Insurance Scheme	1.38	2.20

B Defined Benefit Plan

Gratuity: The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

(i) Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(₹ in Lakhs)

Particulars	Defined Benefit Plan- Gratuity	
	As at March 31, 2019	As at March 31, 2018
Present value of obligation	574.29	489.20
Fair value of plan assets	-	-
(Asset)/Liability recognised in the Balance Sheet	574.29	489.20
Net liability-current (Refer Note 29)	181.13	143.63
Net liability-non-current (Refer Note 22)	393.16	345.57
	574.29	489.20

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	Plan Assets	Plan Obligation	Total
As at 1st April, 2017	-	437.80	437.80
Current service cost	-	62.08	62.08
Past service cost	-	27.79	27.79
Interest cost	-	31.52	31.52
Interest income	-	-	-
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(2.32)	(2.32)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(10.67)	(10.67)
Actuarial (gain)/loss arising from experience adjustments	-	(34.69)	(34.69)
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/ (settled)	-	-	-
Benefit payments	-	(22.31)	(22.31)
As at 31st March, 2018	-	489.20	489.20
As at 1st April, 2018	-	489.20	489.20
Current service cost	-	74.54	74.54
Past service cost	-	-	-
Interest cost	-	35.71	35.71
Interest income	-	-	-
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	5.35	5.35
Actuarial (gain)/loss arising from experience adjustments	-	(2.51)	(2.51)
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/ (settled)	-	-	-
Benefit payments	-	(28.00)	(28.00)
As at 31st March, 2019	-	574.29	574.29

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(₹ in Lakhs)

Particulars	Defined Benefit Plan- Gratuity	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenses recognised in the Statement of Profit and Loss for the year		
Employee Benefit Expenses :		
Current service cost	74.54	62.08
Past service cost	-	27.79
Finance costs :		
Interest cost	35.71	31.52
Interest income	-	-
Net impact on profit (before tax)	110.25	121.39
Recognised in other comprehensive income for the year		
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumption	-	(2.32)
Actuarial (gain)/loss arising from changes in financial assumptions	5.35	(10.67)
Actuarial (gain)/loss arising from experience adjustments	(2.51)	(34.69)
Return (gain)/loss on plan assets excluding interest income	-	-
Net impact on other comprehensive income (before tax)	2.84	(47.68)

(iv) Assets

There are no plan assets at the Balance Sheet date for the defined benefit obligations as the plan is unfunded.

(v) Assumptions

(₹ in Lakhs)

Particulars	Defined Benefit Plan- Gratuity	
	As at March 31, 2019	As at March 31, 2018
Financial/Economic Assumptions		
Discount rate (per annum)	7.00%	7.30%
Salary escalation rate (per annum)	7.00%	7.00%
Demographic Assumptions		
Retirement age	58 years	58 years
Mortality table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rates		
Ages (years)		
All Ages	20.00%	20.00%

Notes:-

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2019. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations

(iii) The salary escalation rate is arrived after taking into consideration the inflation, seniority, promotion and other relevant factors on long term basis.

(vi) Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

Particulars	Defined Benefit Plan- Gratuity			
	As at 31st March 2019		As at 31st March 2018	
	Change in assumption	Change in Defined Benefit Obligation (₹ In Lakhs)	Change in assumption	Change in Defined Benefit Obligation (₹ In Lakhs)
Discount rate (per annum) - Increase	1.00%	(17.35)	1.00%	(14.95)
- Decrease	1.00%	18.74	1.00%	16.13
Salary escalation rate (per annum) - Increase	1.00%	18.22	1.00%	15.47
- Decrease	1.00%	(17.17)	1.00%	(14.59)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Weighted average duration of the defined benefit obligation	5 years	5 years
Expected benefit payments within next-		
I year	181.13	143.63
II year	80.67	79.17
III year	73.33	57.40
IV year	55.75	52.88
V year	46.27	38.43
thereafter	137.13	117.69

C Other long-term employee benefit obligations (Included as part of salaries and wages in Note 36 - Employee benefits expense) Includes long term compensated absences. (Refer Accounting policy 2.12)

48 Government Grant

a. Related to or used for assets :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Balance	2,054.09	944.16
Add:- Grant received during the year	519.79	1,154.57
Less:- Grant released to Statement of Profit & Loss	93.85	44.64
Closing Balance	2,480.03	2,054.09
Current (refer note 28)	88.03	88.03
Non-Current (refer note 24)	2,392.00	1,966.06

Deferred Revenue comprises Government grants : (Refer Note 2.14)

Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, The Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, The Company would be required to pay the duty saved along with interest to the regulatory authorities.

Pending export obligations attached to above grant amounts to Rs 3,118.80 lakhs (previous year Rs. 16,392.35 lakhs)

b. Related to an expense item :

- Grant on account of interest subvention scheme of the Central Government amounting to Rs. 320.13 Lakhs [previous year Rs. 625.90 Lakhs (including Rs. 294.14 lakhs upto March 31, 2017)] recognised during the year has been deducted from the related interest expense.
- Grant on account of interest subsidy under Gujarat Textile Policy - 2012 amounting to Rs. 691.59 Lakhs [including Rs. 422.98 lakhs upto March 31, 2018 relating to previous years but recognised in the current year in accordance with the accounting policy (refer note 2.14)] has been recognised during the year and deducted from the related interest expense upon approval from the competent authority.

49 Share Based Payments

(I) Employee Stock Option Plans (ESOP)

(Refer Note No 2.13 of accounting policy)

The Board of Directors of The Company had at its meeting held on February 12, 2016, Approved grant of 9,50,000 (face value of Rs. 10/- per share) [subsequently sub-divided into 47,50,000 shares of face value of Rs. 2/- per share] stock options ("options") to the eligible Employees of The Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of Rs. 37 per option (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of The Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

TRANCHE 1

A. Vesting period

- On completion of 3 Years from the date of grant of options for 60%
- On completion of 4 Years from the date of grant of options for 20%
- On completion of 5 Years from the date of grant of options for remaining 20%

B. Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and

at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

The details of the ESOP 2015 plan are:

Particulars	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Number of Options	Weighted average Exercise Price (₹)	Number of Options	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	43,25,000	7.40	47,50,000	7.40
Granted during the year	-	-	-	-
Exercised during the year	15,27,850	7.40	-	-
Forfeited during the year	-	-	-	-
Lapsed during the year	-	-	4,25,000	-
Outstanding at the end of the year	27,97,150	7.40	43,25,000	7.40
Exercisable at the end of the year	10,67,150	7.40	-	-
Weighted average fair value of options on the date of grant per share		Rs. 2.13		Rs. 2.32
The number of shares granted has face value of		Rs. 2.00 each		Rs. 2.00 each
The weighted average contractual life of the options outstanding is		0.6 years		1.6 years
The weighted average share price during the period on exercise of options		Rs. 47.47		-

The following tables list the inputs to the models used for ESOS plan for the years ended March 31, 2019 and March 31, 2018 respectively :

Particulars	For the year ended 31st March 2019		For the year ended 31st March 2018	
Dividend yield (%)		0.00%		0.00%
Expected volatility (%)		1 to 5		1 to 5
Risk-free interest rate (%)		7.524%		7.524%
Weighted Average Share Price (Rs.)		7.40		7.40
Exercise Price (Rs.)		7.40		7.40
Expected remaining life of options granted in year		2		3
Model used		Black Scholes		Black Scholes

(II) Employee Stock Option Plans (ESOP)

(Refer Note No 2.13 of accounting policy)

The Board of Directors of The Company had at its meeting held on May 07, 2018, Approved grant of 4,30,000 (face value of Rs. 10/- per share) [subsequently sub-divided into 21,50,000 shares of face value of Rs. 2/- per share] stock options ("options") to the eligible Employees of The Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of Rs. 211 per option (being the closing price at BSE on May 04, 2018 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of The Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

TRANCHE 2

A. Vesting period

On completion of 3 Years from the date of grant of options for 50%

On completion of 4 Years from the date of grant of options for 25%

On completion of 5 Years from the date of grant of options for remaining 25%

B. Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

The details of the ESOP 2015 plan are:

Particulars	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Number of Options	Weighted average Exercise Price (₹)	Number of Options	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,50,000	42.20	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Lapsed during the year	35,000	42.20	-	-
Outstanding at the end of the year	21,15,000	42.20	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average fair value of options on the date of grant per share		Rs. 10.44		-
The number of shares granted has face value of		Rs. 2.00 each		-
The weighted average contractual life of the options outstanding is		1.8 years		-

The following tables list the inputs to the models used for ESOS plan for the years ended March 31, 2019 and March 31, 2018 respectively :

Particulars	For the year ended 31st March 2019		For the year ended 31st March 2018	
Dividend yield (%)	0.00%		-	
Expected volatility (%)	1 to 5		-	
Risk-free interest rate (%)	7.646%		-	
Weighted Average Share Price (Rs.)	42.20		-	
Exercise Price (Rs.)	42.20		-	
Expected remaining life of options granted in year	5		-	
Model used	Black Scholes		-	

The expected life of the Stock option is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

During the year ended, The Company recorded an employee compensation expense of Rs 62.16 Lakhs (PY Rs. 28.74 Lakhs) in the Statement of Profit & Loss.

50 Particulars of investment made/sold during the year as mandated by the provisions of the section 186 of the Companies Act, 2013:

a) The company has not given any loan or provided any Guarantee during the Financial year March 31, 2019 under Section 186 of the Companies Act, 2013

b) Particulars of Investments Made:

(₹ in Lakhs)

Sr. No	Name of Investee	Purchased During the Year		Outstanding Balance	
		2018-19	2017-18	As at March 31, 2019	As at March 31, 2018
1.	Filatex Global PTE Ltd (Subsidiary Company) [Towards Capital Contribution]	-	-	-	11.67
2.	Bhadreshwar Vidyut Private Limited [For purchase of Electricity]	5.56	-	5.56	-

The details of the Investment of the Company are given in note 5 & 7

51. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVES

Financial Instruments - Accounting classification, fair values and fair value hierarchy :

The category wise details as to the carrying value and fair value of The Company's financial assets and financial liabilities including their levels in the fair value hierarchy are as follows:

(₹ in Lakhs)

Particulars	Levels	Carrying values		Fair values	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1. Financial assets at					
a. Fair Value through profit & loss					
Quoted Equity Investments	Level 1	-	0.06	-	0.06
Unquoted Equity Investments *	Level 3	5.56	-	5.56	-
b. Fair value through other comprehensive income		-	-	-	-
c. Amortised cost					
Trade receivable	Level 2	9,869.86	17,052.31	9,869.86	17,052.31
Cash & cash equivalents	Level 1	2,415.25	889.39	2,415.25	889.39
Bank balances other than Cash & cash equivalents	Level 1	2,005.72	1,660.50	2,005.72	1,660.50
Loans	Level 2	141.66	125.18	141.66	125.18
Other financial assets	Level 2	1,277.71	426.65	1,277.71	426.65
2. Financial liabilities at					
a. Fair Value through profit & loss					
Derivatives - foreign exchange forward contracts (not designated as hedging instruments)	Level 2	410.06	56.79	410.06	56.79
b. Fair value through other comprehensive income		-	-	-	-
c. Amortised cost					
Borrowings - floating rate	Level 2	54,693.83	64,012.66	54,693.83	64,012.66
Trade payables	Level 2	17,898.65	22,406.03	17,898.65	22,406.03
Other financial liabilities	Level 2	9,362.88	10,934.37	9,362.88	10,934.37

* Other than investment in subsidiaries accounted at cost in accordance with Ind AS 27.

Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2018. The following methods / assumptions were used to estimate the fair values:

1. The carrying value of Cash and cash equivalents, trade receivables, trade payables, short-term borrowings, other current financial assets and financial liabilities approximate their fair value mainly due to the short-term maturities of these instruments.
2. The fair values of investment in quoted investment in equity shares is based on the quoted price in the active market of respective investment as at the Balance Sheet date.

3. **Derivative financial instruments** - The fair value of forward foreign exchange contracts is determined using the forward exchange rates at the balance sheet date using valuation techniques with inputs that are directly or indirectly observable in the marketplace. The derivatives are entered into with the banks/ counterparties with investment grade credit ratings.

4. Description of significant unobservable inputs to valuation (Level 3) :

The following table shows the valuation techniques and inputs used for Non-current financial instruments that are not carried at fair value :

a. Security deposits given against lease and finance lease obligations : Discounted cash flow method using appropriate discounting rate.

b. Non-current Financial assets/liabilities other than above : Expected Cash Flow for the financial instruments

5 **Unquoted equity instruments** : where most recent information to measure fair value is insufficient and where the fair value of these investments cannot be reliably measured, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

6. There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year and no transfer into and out of Level 3 fair value measurements.

II. Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks namely market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by The Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and The Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing The Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee.

a) Credit Risk

Credit risk is the risk of financial loss to The Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The Company's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers to which The Company grants credit terms in the normal course of business and through regular monitoring of conduct of accounts. The Company also holds security deposits for outstanding trade receivables which mitigate the credit risk to some extent.

An impairment analysis is performed at each reporting date on an individual basis for major customers. The history of trade receivables shows a negligible provision for bad and doubtful debts. The management believes that no further provision is necessary in respect of trade receivables based on historical trends of these customers. Further, The Company's exposure to customers is diversified and no single customer has significant contribution to trade receivable balances.

In respect of Financial guarantees provided by The Company to banks & financial institutions, the maximum exposure which The Company is exposed to is the maximum amount which The Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, The Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	414.58	414.58
Impairment loss recognised	-	-
Amount written off as Bad debts	-	-
Closing Balance	414.58	414.58

The credit risk on liquid funds such as banks in current and deposit accounts and derivative financial instruments is limited because the counterparties are banks with high credit-ratings.

b) Liquidity Risk

Liquidity risk is the risk that The Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of The Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that The Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
As at 31st March, 2019						
Borrowings and interest thereon *	60,401.09	14,137.41	23,578.01	15,388.89	16,159.70	69,264.02
Trade payables	17,898.65	17,898.65	-	-	-	17,898.65
Other financial liabilities (excluding current maturities of Long term borrowings)	3,655.62	3,065.92	589.70	-	-	3,655.62
Total Non-Derivative Liabilities	81,955.36	35,101.98	24,167.71	15,388.89	16,159.70	90,818.29
Derivatives						
Other Financial Liabilities	410.06	410.06	-	-	-	410.06
Total Derivative Liabilities	410.06	410.06	-	-	-	410.06

(₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
As at 31st March, 2018						
Borrowings and interest thereon *	71,078.68	21,587.67	26,124.58	15,964.26	25,286.00	88,962.51
Trade payables	22,406.03	22,406.03	-	-	-	22,406.03
Other financial liabilities (excluding current maturities of Long term borrowings)	3,868.35	3,145.68	722.67	-	-	3,868.35
Total Non-Derivative Liabilities	97,353.06	47,139.38	26,847.25	15,964.26	25,286.00	1,15,236.89
Derivatives						
Other Financial Liabilities	56.79	56.79	-	-	-	56.79
Total Derivative Liabilities	56.79	56.79	-	-	-	56.79

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company, if any. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period. Interest accrued but not due has been included in other financial liabilities.

The above excludes any financial liabilities arising out of financial guarantee contract.

In respect of Financial guarantees provided by The Company to banks & financial institutions, the maximum exposure which The Company is exposed to is the maximum amount which The Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, The Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Financing facilities :

The Company has access to financing facilities as described in below Note. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Secured bank loan facilities with various maturity dates through to 31st March, 2020 and which may be extended by mutual agreement:		
- amount used	42,642.63	49,840.07
- amount unused	5,610.06	1,053.00
	48,252.69	50,893.07
Unsecured loans from bodies corporate		
- amount used	8,118.00	8,013.25
- amount unused	-	-
	8,118.00	8,013.25
Secured bank overdraft facility :		
- amount used	7,017.82	9,852.50
- amount unused	12,982.18	4,147.50
	20,000.00	14,000.00

c) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments, trade payables, trade receivables, derivative financial instruments and other financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, The Company's exposure to market risk is a function of investing and borrowing activities.

i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange risk arises from its foreign currency borrowings and trade receivables and trade payables denominated in foreign currencies. The results of The Company's operations can be affected as the rupee appreciates/depreciates against these currencies. The Company enters into derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company has a treasury team which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on The Company.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed below):

Particulars	As at 31st March 2019		As at 31st March 2018	
	Amount in Foreign currency	Indian Rupees (Rs. In Lakhs)	Amount in Foreign currency	Indian Rupees (Rs. In Lakhs)
Currency				
Borrowings (including current maturities)				
USD	37,00,800	2,559.89	44,48,847	2,893.71
Euro	2,95,39,586	22,952.97	3,14,01,189	25,316.33
Interest payable				
USD	72,188	49.93	34,091	22.17
Euro	62,396	48.48	72,906	58.78
Trade Payables & other liabilities				
JPY	-	-	2,94,784	1.81
USD	6,82,268	471.93	1,65,07,443	10,737.12
Euro	-	-	3,72,702	300.48

Foreign Currency Assets	As at 31st March 2019		As at 31st March 2018	
	Amount in Foreign currency	Indian Rupees (Rs. In Lakhs)	Amount in Foreign currency	Indian Rupees (Rs. In Lakhs)
Currency				
Trade Receivables		-		-
JPY				
USD	45,74,843	3,164.48	58,30,437	3,792.36
Euro	-	-	-	-
Invetsments				
USD	-	-	10,000	6.50

a. Foreign currency sensitivity analysis:

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD, JPY and Euro with INR, with all other variables held constant. The impact on The Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

Particulars	31-Mar-19		31-Mar-18	
	Effect on Profit before tax Gain/(Loss)		Effect on Profit before tax Gain/(Loss)	
5% movement	Strengthening of Foreign Currency	Weakening of Foreign Currency	Strengthening of Foreign Currency	Weakening of Foreign Currency
On Foreign Currency Liability (net of Foreign Currency Assets) :				
JPY	-	-	0.09	(0.09)
USD	(4.14)	4.14	492.71	(492.71)
Euro	1,150.07	(1,150.07)	1,283.78	(1,283.78)

b. Derivative financial instruments :

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Outstanding Contracts	Buy/sell	As at March 31, 2019			As at March 31, 2018		
Other Derivatives		Amount in Foreign currency	Nominal Value (₹ in Lakhs)	Fair Value (₹ in Lakhs)	Amount in Foreign currency	Nominal Value (₹ in Lakhs)	Fair Value (Rs in Lakhs)
Forward contracts							
in USD	Buy	1,63,01,306	11,595.89	11,275.83	1,61,30,682	10,389.94	10,492.06
in Euro	Buy	5,60,520	444.29	435.54	-	-	-
in YEN	Buy	1,28,97,600	81.76	80.64	-	-	-

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to The Company's long-term debt obligations with floating interest rates.

The Company's investments in term deposits (i.e., margin money) with banks are for short durations, and therefore do not expose The Company to significant interest rates risk

a. Interest rate risk exposure

The exposure of The Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Floating rate instruments :		
Borrowings	62,470.56	73,177.77

b. Interest rate sensitivity :

The sensitivity analysis below have been determined based on exposure to interest rates for borrowings at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of borrowings that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables, in particular foreign currency exchange rates, were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

(₹ in Lakhs)

Particulars	Impact on Profit before Tax	
	For the year ended March 31, 2019	For the year ended 31st March 2018
Floating rate instruments :		
50 basis points increase	(312.35)	(365.89)
50 basis points decrease	312.35	365.89

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

iii) Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, listed or unlisted equity shares, government securities and fixed deposits. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments, The Company diversifies its portfolio in accordance with the limits set by the risk management policies.

III Capital Risk Management Policies and Objectives

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital and to maximise shareholders value. In order to maintain or adjust the capital structure, The Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce debt, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as interest bearing loans and borrowings less cash and cash equivalents.

The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Debt	60,401.09	71,078.68
Cash and Cash equivalents	2,415.25	889.39
Net debt	57,985.84	70,189.29
Total Equity	47,207.60	38,549.62
Capital and net debt	1,05,193.44	1,08,738.91
Gearing Ratio (%)	55.12%	64.55%

In order to achieve this overall objective, The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

IV Changes in liabilities arising from financing activities

With effect from 01.04.2017, the Company adopted the amendments to Ind AS 7 - Statement of cash flows. The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. To the extent necessary to satisfy this requirement, an entity discloses the following changes in liabilities arising from financing activities:

- » Changes from financing cash flows
- » Changes arising from obtaining or losing control of subsidiaries or other businesses
- » The effect of changes in foreign exchange rates
- » Changes in fair values
- » Other changes

Paragraph 44C of Ind AS 7 states that liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities. In addition, the disclosure requirement in paragraph 44A also applies to changes in financial assets (for example, assets that hedge liabilities arising from financing activities) if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

The Company disclosed information about its interest-bearing loans and borrowings. There are no obligations under finance lease and hire purchase contracts.

The amendments suggest that the disclosure requirement may be met by providing a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Where an entity discloses such a reconciliation, it shall provide sufficient information to enable users of the financial statements to link items included in the reconciliation to the statement of financial position and the statement of cash flows. The Company decided to provide information in a reconciliation format. The major changes in the Company's liabilities arising from financing activities are due to financing cash flows and accrual of financial liabilities. The Company did not acquire any liabilities arising from financing activities during business combinations effected in the current period or comparative period.

(₹ in Lakhs)

Particulars	01.04.2018 (opening balance of current year)	Cash Flows	Non-cash changes				31.03.2019 (closing balance of current year)
			Arising from obtaining or losing control of subsidiaries or other businesses	Foreign exchange movement	Fair value changes	Others	
i. Current interest bearing loans and borrowings (excluding items listed below)	9,852.50	(2,780.29)	-	(54.39)	-	-	7,017.82
ii. Current maturities of Long term borrowings	7,066.02	(7,066.02)	-	-	-	5,707.26	5,707.26
iii. Non-current interest-bearing loans and borrowings (excluding items listed below)	54,160.16	56.92	-	(833.81)	-	(5,707.26)	47,676.01
iv. Interest accrued on borrowings *	111.64	(4,381.48)	-	-	-	4,402.80	132.96
Total liabilities from financing activities	71,190.32	(14,170.87)	-	(888.20)	-	4,402.80	60,534.05

* Represents Interest expenses including interest capitalised as per Ind AS 23 amounting Rs. 158.58 Lakhs and Interest Subsidy receivable from Central and State government amounting Rs. 840.75 Lakhs

(₹ in Lakhs)

Particulars	01.04.2017 (opening balance of Comparative period)	Cash Flows	Non-cash changes				31.03.2018 (closing balance of Comparative period)
			Arising from obtaining or losing control of subsidiaries or other businesses	Foreign exchange movement	Fair value changes	Others	
i. Current interest bearing loans and borrowings (excluding items listed below)	14,350.76	(4,535.11)	-	36.85	-	-	9,852.50
ii. Current maturities of Long term borrowings	5,399.59	(5,399.59)	-	-	-	7,066.02	7,066.02
iii. Non-current interest-bearing loans and borrowings (excluding items listed below)	33,635.10	25,562.13	-	2,028.95	-	(7,066.02)	54,160.16
iv. Interest accrued on borrowings ^	61.01	(3,554.25)	-	-	-	3,604.88	111.64
Total liabilities from financing activities	53,446.46	12,073.18	-	2,065.80	-	3,604.88	71,190.32

^ Represents Interest expenses including interest capitalised as per Ind AS 23 amounting Rs. 945.53 Lakhs

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings to current due to the passage of time, and the effect of accrued but not yet paid interest on interest bearing loans and borrowings.

52 Capitalisation of Expenditure

The Company has capitalised the following expenses of revenue nature to the cost of capital work in progress (CWIP)/ Property, Plant & Equipment (PPE). Consequently the expenses disclosed under the respective notes are net of amounts capitalised by The Company. The break-up of expenditure is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Raw material consumed	45.14	6,803.91
Other material consumed	-	313.58
Power & Fuel	118.79	653.76
Sub total (A)	163.93	7,771.25
Payments and benefits to Employee		
Salaries & wages	140.05	300.54
Sub total (B)	140.05	300.54
Operating expenses :		
Insurance expenses	3.28	13.99
Travel and conveyance	33.13	62.37
Legal and professional	9.76	18.62
General expenses	19.28	15.77
Sub total (C)	65.45	110.75
Finance costs *		
Interest on term loan	158.58	945.53
Exchange difference regarded as adjustment to borrowing cost	-	1,052.94
Bank Charges	13.64	186.48
Sub total (D)	172.22	2,184.95
Less: Sale of finished goods produced during the trial run (E)	-	5,246.92
Less: Net realisable value of Inventory produced during the trail run (F)	-	2,340.81
Total amount (A)+(B)+(C)+(D)-(E)-(F)	541.65	2,779.76
Add: Opening balance	-	183.83
Less: Amount capitalised to Property, Plant & Equipment	-	2,963.59
Balance to be carried forward	541.65	-

* Interest @ 9% comprises of

1 Rs. 1.04 Lakhs (Previous year Rs. 585.02) on specific borrowings taken for Plant & machinery

2 Rs. 157.54 Lakhs (Previous year Rs. 360.51 Lakhs) on general borrowings taken for other qualifying assets.

53 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, historical experience and other factors, including expectations of future events that are believed to be reasonable, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to :

Leasehold land :

The Company has entered into several arrangements for lease of land from government entities and other parties. Significant judgment is involved in assessing whether such arrangements are in the nature of finance or operating lease. In making such an assessment, the Company considers various factors which includes whether the present value of minimum lease payments amount to at least substantially all of the fair

value of lease assets, renewal terms, purchase option, sub-lease options etc. Based on evaluation of above factors, leases are evaluated on case to case basis for the purpose of treating as in the nature of finance lease.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year :

(i) Impairment of trade receivables:

The impairment provisions for trade receivables are based on based on lifetime expected credit loss based on a provision matrix. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

The Company uses judgment in making assumptions about risk of default and expected loss rates and selecting the inputs to the impairments calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) Fair value measurements of financial instruments:

In estimating the fair value of a financial asset or a financial liability, the Company uses market-observable data to the extent it is available. Where active market quotes are not available, the management applies valuation techniques to determine the fair value of financial instruments. This involves developing estimates, assumptions and judgements consistent with how market participants would price the instrument.

(iii) Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation viz. gratuity and other long-term employee benefit obligation viz. long term compensated absences to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(iv) Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. These estimates could change substantially over time as new facts emerge and each dispute progresses. Information about such litigations is provided in notes to the financial statements.

(v) Income Taxes

Deferred tax assets are recognised for unused tax losses and unabsorbed depreciation carry forwards to the extent that it is probable that taxable profit will be available against which the losses/ depreciation can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(vi) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in notes to the financial statements.

(vii) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company determines and also reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Such lives are dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs.

Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

54 Exceptional item Rs. 234.22 Lakhs (previous year loss of Rs. Nil) on account of sale of land and building situated at Noida.

55 The figures for the previous years have been regrouped and/or reclassified wherever necessary to conform with the current year presentation.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
Firm Registration No. 000605N
Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
Partner
Membership No. 096655

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN : 00021934

Swarup Chandra Parija
Independent Director
DIN : 00363608

Place : New Delhi
Date : April 30, 2019

Anil Dutt Mohla
Chief Financial Officer

Raman Kumar Jha
Company Secretary



Consolidated Financial Statements

Consolidated Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF FILATEX INDIA LIMITED Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Filatex India Limited ('the Holding Company') and its subsidiary(collectively referred as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matters	Auditors Response
1	Evaluation of Minimum Alternate Tax (MAT) Credits The Group has material uncertain tax position regarding set off of MAT credit which involves significant judgment to determine the possible utilization of tax assets amounting to Rs. 7,068 lakhs (approx.) refer note No. 23 of financial Statements.	Principal Audit Procedures In assessing the realisability of MAT credit entitlement, management considered whether some portion or all of the MAT credits will not be realized. The ultimate realization of MAT Credits is dependent upon the generation of future taxable income during the periods taxable incomes exceeds the book profit as per the provisions of the income tax act. This requires the significant judgement. The management considered the scheduled adjustment of MAT credit, projected future taxable income and tax planning strategies in making this assessment. We have considered the projections of the future profitability of the Group, as appraised by the Group's bankers for assessing credit limits and the relevant provisions of the income tax act as amended from time to time to test the probability of expected future economic benefit in respect of MAT credit.
2	Allowance for Inventories The Group holds significant inventories and records allowance for identified obsolete inventories. As at 31 March, 2019, the Group's	Principal Audit Procedures Our audit procedures to assess allowance for inventories included the following:

inventories amounted to Rs. 17,268 lakhs representing 12.20 % of the Group's total assets. Refer Note No. 10 of financial statements. At the end of each reporting period, management assesses whether there is any objective evidence that certain inventories, which are stated at cost, are above their net realizable value. If so, these inventories are written down to their net realizable value. Assessing the net realizable value is an area of significant judgment with specific consideration to slow moving and obsolete inventory and hence considered to be a Key Audit Matter. Management undertakes the following procedures for determining the level of write down required. » Specific identification procedures are performed periodically by the management to ascertain the slow moving, non-moving or obsolete inventories. » Adequate allowance is created for non-moving and slow-moving inventories basis market realizable value and need of incremental re-processing cost. » Perform a line-by-line analysis of remaining item of finished inventory (Inventory properties) to ensure it is stated at the lower of cost and net realizable value and a specific write down is recognized if required.	» We checked the management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is reasonable and consistently applied. » We checked that the allowance for slow-moving, non-moving and obsolete inventories is appropriately computed basis the underlying working/supporting. » We tested the net realizable value of inventory properties selected on a sample basis to recent selling price. » We compared the actual utilization/liquidation of inventories to the status of inventories previously assessed as per specific identification method. » We also checked inventory aging and inquiries for non-moving inventories which are not considered for inventory provisioning.
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The above mentioned report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Group in accordance with

the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- » Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- » Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- » Obtain sufficient audit evidence regarding the financial information of the entity to express an opinion on the consolidated financial statements. We are the responsible for direction, supervision and performance of the audit of financial

statement of such entity included in consolidated financial statements of which we are the independent auditor. For the entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statement of Filatex Global PTE Ltd (wholly owned subsidiary) whose financial statement reflects total assets of Rs. 0 lakhs , total revenue of Rs. 0.00 lakhs, total comprehensive income of Rs. 6.70 lakhs for the period from April 1,2018 to January 11,2019 .These financial statement has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Our opinion on the consolidated financial statements & our report on other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and other report of other auditor.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India, since the subsidiary company is not incorporated in India, no separate report on internal financial controls over financial reporting of the group is being issued.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

- i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations as at March 31, 2019, on the consolidated financial position of the Group - Refer Note 40A to the consolidated financial statement.
- ii. The Group has made provision as at March 31, 2019, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary Company.

For Arun K Gupta & Associates
Chartered Accountants
Firm Registration No.000605N

Place: New Delhi
Dated: 30-04-2019

GIREESH KUMAR GOENKA
Partner
Membership No. - 096655

Consolidated Balance Sheet

As at March 31, 2019

₹ in Lakhs

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	92,787.81	94,446.40
Capital work in progress	3	7,147.31	641.37
Other Intangible assets	4	5.02	5.60
Intangible Assets under Development	4	60.70	36.00
Financial Assets			
Investments	5	5.56	0.06
Loans	6	43.88	65.63
Other Financial Assets	7	30.06	4.25
Income Tax Assets (net)	8	39.85	78.50
Other non-current assets	9	1,662.75	924.33
Total Non Current Assets		1,01,782.94	96,202.14
Current Assets			
Inventories	10	17,268.80	19,370.39
Financial Assets			
Trade receivables	11	9,869.86	17,052.31
Cash & Cash Equivalents	12	2,415.25	894.21
Bank balances (other than cash and cash equivalents)	13	2,005.72	1,660.50
Loans	14	97.78	59.55
Other Financial assets	15	1,247.65	417.23
Other current assets	16	6,852.14	6,749.43
Total Current Assets		39,757.20	46,203.62
Assets classified as held for sale	17		1,340.12
Total Assets		1,41,540.14	1,43,745.88
EQUITY & LIABILITIES			
EQUITY			
Equity Share Capital	18	4,350.00	4,350.00
Other Equity	19	42,857.60	34,186.69
Total Equity		47,207.60	38,536.69
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	20	47,676.01	54,160.16
Other financial liabilities	21	908.58	722.67
Provisions	22	599.49	516.01
Deferred tax liabilities (Net)	23	5,882.27	4,117.83
Other non-current liabilities	24	2,392.00	1,966.06
Total Non Current Liabilities		57,458.35	61,482.73
Current Liabilities			
Financial Liabilities			
Borrowings	25	7,017.82	9,852.50

Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	26	189.46	338.59
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	26	17,709.19	22,067.44
Other financial liabilities	27	8,864.36	10,275.78
Other current liabilities	28	2,599.72	609.06
Provisions	29	284.01	231.06
Income Tax Liabilities (net)	30	209.63	112.03
Total Current Liabilities		36,874.19	43,486.46
Liabilities directly associated with assets classified as held for sale		-	240.00
Total Equity and Liabilities		1,41,540.14	1,43,745.88
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
 Firm Registration No. 000605N
 Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
 Partner
 Membership No. 096655

Madhu Sudhan Bhageria
 Chairman & Managing Director
 DIN : 00021934

Swarup Chandra Parija
 Independent Director
 DIN : 00363608

Place : New Delhi
 Date : April 30, 2019

Anil Dutt Mohla
 Chief Financial Officer

Raman Kumar Jha
 Company Secretary

Consolidated Statement of Profit & Loss

For the year ended March 31, 2019

₹ in Lakhs

Particulars	Notes	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Income:			
Revenue from operations	32	2,87,409.78	1,97,445.03
Other Income	33	1,181.92	1,109.32
Total Income (I)		2,88,591.70	1,98,554.35
Expenses:			
Cost of materials consumed	34	2,32,789.54	1,52,984.90
Purchases of stock-in-trade		2,310.24	3,479.84
(Increase)/decrease in Inventories of finished goods, work in progress & stock in trade	35	1,355.53	(1,350.98)
Excise Duty on sale of goods		-	4,685.87
Employee benefits expense	36	6,323.91	4,874.74
Finance cost	37	5,470.58	4,410.63
Depreciation & amortization expense	3 & 4	4,497.39	3,082.47
Other Expenses	38	22,968.54	17,119.04
Total Expenses (II)		2,75,715.73	1,89,286.51
Profit/(loss) before exceptional items & tax		12,875.97	9,267.84
Exceptional Items [Profit/(Loss)] (refer note 54)		234.22	-
Profit/(loss) before tax		13,110.19	9,267.84
Tax Expense:			
Current tax	23	2,830.26	1,968.17
Deferred tax	23	1,782.11	1,325.47
Total tax expense		4,612.37	3,293.64
Net profit/(loss) after tax		8,497.82	5,974.20
Other Comprehensive Income/ (loss)			
A. (i) Items to be reclassified to profit or loss		-	-
(ii) Income tax relating to items to be reclassified to profit or loss		-	-
B. (i) Items not to be reclassified to profit or loss			
Re-measurement of defined benefit plans		(2.83)	47.67
(ii) Income tax relating to items not to be reclassified to profit or loss		0.99	(16.66)
Total Comprehensive Income/ (Loss)		8,495.98	6,005.21
Earnings Per Share (EPS) in Rupees (Face value of Rs. 2/- per share)			
-Basic	39	3.90	2.75
-Diluted	39	3.83	2.70
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

GIREESH KUMAR GOENKA
Partner
Membership No. 096655
Place : New Delhi
Date : April 30, 2019

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN : 00021934
Anil Dutt Mohla
Chief Financial Officer

For and on behalf of the Board of Directors of
Filatex India Limited

Swarup Chandra Parija
Independent Director
DIN : 00363608
Raman Kumar Jha
Company Secretary

Consolidated Statement of Changes in Equity

As at March 31, 2019

A. Equity Share Capital (Refer Note-18)

₹ in Lakhs

Equity shares of Rs. 2/- per share (previous year Rs. 10/- per share) issued, subscribed and fully paid	Number of Shares	Amount
As at April 01, 2017	4,35,00,000	4,350.00
Increase/(decrease) during the year	-	-
As at 31st March 2018	4,35,00,000	4,350.00
Increase on account of Share Split	17,40,00,000	-
Increase/(decrease) during the year	-	-
As at 31st March 2019	21,75,00,000	4,350.00

B. Other Equity

₹ in Lakhs

Particulars	Share application money pending allotment	Reserves and Surplus						Other Comprehensive Income	Foreign Currency translation reserve	Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Share based option outstanding	Retained Earnings			
Balance as at April 01, 2017	-	1,253.11	1,250.00	9,734.30	350.43	32.60	15,541.05	-	0.01	28,161.50
Profit for the Year	-	-	-	-	-	-	5,974.20	-	-	5,974.20
Share based compensation to employees	-	-	-	-	-	28.74	-	-	-	28.74
Foreign Currency Translation reserve on foreign operations	-	-	-	-	-	-	-	-	0.07	0.07
Other Comprehensive Income:										
Re-measurement of defined benefit plans	-	-	-	-	-	-	31.01	-	-	31.01
Total Comprehensive Income for the year	-	-	-	-	-	28.74	6,005.21	-	0.07	6,034.02
Balance as at March 31, 2018	-	1,253.11	1,250.00	9,734.30	350.43	61.34	21,546.26	-	0.08	34,195.52
Profit for the Year	-	-	-	-	-	-	8,497.82	-	-	8,497.82
Share based compensation to employees	-	-	-	-	-	62.16	-	-	-	62.16
Subscription to stock option scheme [refer note i)]	113.06	-	-	-	-	-	-	-	-	113.06
Foreign Currency Translation reserve on foreign operations	-	-	-	-	-	-	-	-	(0.21)	(0.21)
Other Comprehensive Income:										
Re-measurement of defined benefit plans	-	-	-	-	-	-	(1.84)	-	-	(1.84)
Total Comprehensive Income for the year	113.06	-	-	-	-	62.16	8,495.98	-	(0.21)	8,670.99
Balance as at March 31, 2019	113.06	1,253.11	1,250.00	9,734.30	350.43	123.50	30,042.24	-	(0.13)	42,866.51

i) Date of Allotment of Filatex ESOS - 2015 "ESOS" is 17th April, 2019

ii) Refer note 19 for nature and purpose of reserves

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
Firm Registration No. 000605N
Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
Partner
Membership No. 096655

Madhu Sudhan Bhageria
Chairman & Managing Director
DIN : 00021934

Swarup Chandra Parija
Independent Director
DIN : 00363608

Place : New Delhi
Date : April 30, 2019

Anil Dutt Mohla
Chief Financial Officer

Raman Kumar Jha
Company Secretary

Consolidated Cash Flow Statement

For the year ended March 31, 2019

₹ in Lakhs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Cash flow from operating activities		
Net profit / (loss) before tax	13,110.19	9,267.84
Adjustments for:		
- Depreciation/amortization	4,497.39	3,082.47
- Loss/(profit) on Property, Plant & Equipment sold/discarded (net)	(17.51)	21.68
- Employee Stock Option expense	62.16	28.74
- Remeasurement of Employee Benefit Expenses	(2.83)	47.67
- Unrealised foreign exchange Loss/ (profit) (net)	(811.94)	114.63
- Unrealised Marked to Market (Gain)/Loss	410.06	56.79
- Foreign Currency translation reserve on foreign operations	(0.28)	0.07
- Provisions/liabilities no longer required, written back	(47.39)	(24.86)
- Processing Fees on Long term Loans	514.43	175.99
- Exceptional Items (Profit on sale of land)	(234.22)	-
- Interest expense	3,403.47	2,659.35
- Interest income	(484.91)	(643.34)
- Dividend income	(12.24)	(46.99)
Operating profit before working capital changes	20,386.38	14,740.04
Movements in working capital :		
Decrease/ (increase) in trade receivables	7,166.78	2,976.94
Decrease/ (increase) loans and advances/other current assets	(157.01)	(4,811.86)
Decrease/ (increase) in inventories	2,101.59	(4,456.81)
Increase / (decrease) in trade & other payable / provisions	(1,681.98)	12,253.67
Cash generated from operations	27,815.76	20,701.98
Direct taxes paid	(2,710.69)	(1,757.81)
Net cash flow from operating activities (a)	25,105.07	18,944.17
Cash flow from investing activities		
Purchase of Property, Plant & Equipment (Including Capital Advances)	(8,664.01)	(31,274.85)
Proceeds from sale of Property, Plant & Equipment (Including advances received)	161.10	907.54
Purchase of Investment	(5.56)	1.39
Sale of Investment	0.06	-
(Increase)/Decrease in deposits	(347.86)	(239.66)
(Increase)/Decrease in unpaid Dividend Account	2.64	-
Interest received	496.82	546.99
Dividend received	12.24	46.99
Net cash flow from/(used in) investing activities (b)	(8,344.57)	(30,011.60)
Cash flow from financing activities:		
Share Application Money received against ESOS	113.06	-
Proceeds from long-term borrowings from banks	1,354.25	27,731.57
Proceeds from long-term borrowings from others	869.75	100.00
Payment of transaction cost related to borrowings	(525.84)	(1,498.31)
Repayment of long term borrowings from Banks	(8,753.08)	(5,537.66)

Repayment of long term borrowings from others	(1,135.83)	(809.05)
Net Proceeds/(repayment) from/of short-term borrowings	(2,780.29)	(4,535.11)
Interest paid	(4,381.48)	(3,554.25)
Net cash flow from/(used in) in financing activities (c)	(15,239.46)	11,897.19
Net increase/(decrease) in cash and cash equivalents (a + b + c)	1,521.04	829.76
Cash and cash equivalents at the beginning of the year	894.21	64.45
Cash and cash equivalents at the end of the year	2,415.25	894.21
Components of cash and cash equivalents		
Cash on hand	13.64	12.34
Balance with scheduled Banks :		
- on Current account ^	2,401.61	381.87
- on deposit account	2,004.06	1,656.20
- unpaid dividend accounts*	1.66	4.30
- Cheques, draft on hand	-	500.00
Cash and Bank Balances	4,420.97	2,554.71
Less: Fixed Deposits not considered as cash and cash equivalents		
- Deposits pledged with banks	2,004.06	1,656.20
- Unpaid dividend account	1.66	4.30
Cash & Cash Equivalents	2,415.25	894.21

^ Includes Rs. 113.06 Lakhs (previous year Nil) that are not available for use by the Group as they represent Share application money received against ESOS.

* These balances are not available for use by the Group as they represent corresponding unpaid dividend liability.

The accompanying notes are an integral part of financial statement.

As per our report of even date
for ARUN K. GUPTA & ASSOCIATES
 Firm Registration No. 000605N
 Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
 Partner
 Membership No. 096655

Madhu Sudhan Bhageria
 Chairman & Managing Director
 DIN : 00021934

Swarup Chandra Parija
 Independent Director
 DIN : 00363608

Place : New Delhi
 Date : April 30, 2019

Anil Dutt Mohla
 Chief Financial Officer

Raman Kumar Jha
 Company Secretary

Notes to Consolidated Financial Statements

For the year ended 31 March 2019

1 Corporate information

Filatex India Ltd. ('The Company') is a Public Limited Company incorporated in India. The address of its Registered Office is S.No. 274, Demni Road, Dadra - 396191 (U.T of Dadra & Nagar Haveli) and Corporate office is 43, Community Centre, New Friends Colony, New Delhi - 110025, India. The main business of the Company is

manufacturer of Polyester Chips, Polyester/Nylon/Polypropylene Multi & Mono Filament Yarn and Narrow Fabrics. The Company is listed on BSE Limited and National Stock Exchange of India Limited.

Details of Subsidiary company which is considered in the consolidation and the parent company's holding therein from April 01, 2018 to January 11, 2019 are as under:

Sr. No.	Name of the Subsidiary company	Country of incorporation	Extent of Holding % as on 31.03.2019*	Extent of Holding % as on 31.03.2018
1.	Filatex Global PTE Ltd	Singapore	100%	100%

* The subsidiary company has filed a Zero balance sheet for the period from April 01, 2018 to January 11, 2019 to Accounting and Corporate Regulatory Authority (ACRA) in Singapore for striking off on March 07, 2019.

The Consolidated financial statements were authorised by the Board of Directors for issuing accordance with a resolution passed on April 30, 2019.

2 Significant accounting policies

The significant accounting policies applied by The Group in the preparation of its Consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Consolidated financial statements.

2.1 Basis of preparation

a) Statement of compliance with Ind AS:

These Consolidated financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') under the Historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act 2013 ("The Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

b) Basis of measurement

These consolidated financial statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS :

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;

- defined benefit plans - plan assets measured at fair value;

- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to The Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

Where required/appropriate, external valuers are involved.

All financial assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy established by Ind As 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Group recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Basis of consolidation

i) Subsidiary:

A subsidiary is an entity controlled by the Group. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are fully consolidated from the date on which Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Where necessary, adjustments are made to the Consolidated financial statements of subsidiaries to bring their accounting policies in line with those used by the Group.

ii) Non-controlling interests:

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity

within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Profit or loss and other comprehensive income or loss are attributed to the controlling and non-controlling interests in proportion to their ownership interests. Total comprehensive income is attributed to the controlling and non-controlling interests even if this results in the non-controlling interests having a deficit balance.

iii) Changes in non-controlling interests:

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary. Any difference between the Group's share of net assets in relation to the acquisition and the fair value of consideration paid is recognised directly in the Group's reserves.

iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

v) Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions between subsidiaries in the Group, are eliminated in preparing the consolidated financial statements.

d) Current non-current classification:

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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 current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

e) Functional and presentation currency

Items included in the consolidated financial statements of The Group are measured using the currency of the primary economic environment in which The Group operates (i.e. the “functional currency”). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of The Group.

In translating the Financial statements of Foreign subsidiary for consolidation in the consolidated financial statements, the assets and liabilities both monetary and non monetary are translated at the closing exchange rate, while income and expenses are translated at average exchange rates and all the resulting exchange differences are accumulated in foreign currency translation reserve

f) Rounding of amounts:

All amounts disclosed in the consolidated financial statements and notes are in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an “ongoing basis”. Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions

to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods

2.3 Revenue recognition

Sale of goods

Effective April 1, 2018, the company has adopted Ind-AS 115 “Revenue from Contracts with Customers” using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the financial statements. The adoption of the standard did not have any material impact to the financial statements of the company.

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to The Group and the revenue can be reliably measured.

Claim on insurance Group and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on “acceptance basis”.

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that The Group will comply with the conditions attached to them and the export benefits will be received.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

Dividend

Dividend income is recognized when The Group’s right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if

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

Cost of an item of property, plant and equipment comprises –

- i. its purchase price, including import duties and non – refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with The Group's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The Group identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

On transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. In accordance with provisions of Ind AS 101 First time adoption of

Indian Accounting Standards, The Group, for certain properties, has elected to adopt fair value and recognized as of April 1, 2016 as the deemed cost as of the transition date. The resulting adjustments have been directly recognized in retained earnings. The balance assets have been recomputed as per the requirements of Ind AS retrospectively as applicable.

Depreciation:

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of The Group and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of Assets	Useful life in years
Leasehold Land	Over Lease Period i.e. 198 years
Buildings	
Factory Building	30 years
Non Factory Buildings	60 years
Leasehold Improvements	10 years
Plant and Machinery *	5 – 25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 - 10 years
Computers	3 years

*Based on internal technical evaluation and external advised received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs. 5000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

2.5 Intangible assets

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

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development. This comprises expenditure on ERP software license fee and its configuration and customization.

Intangible assets are derecognised (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of an intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised as income or expense in the statement of profit and loss.

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all Intangible assets were carried at in the Balance Sheet on basis of historical cost. The Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Amortisation:

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets from the date when the asset are available for use, on pro-rata basis. Estimated useful lives by major class of finite-life intangible assets are as follows:

Type of Assets	Useful life in years
Computer Software	5 Years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

2.6 Financial instruments

Financial Assets:

Initial recognition and measurement:

Financial assets are recognised when The Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at

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

- fair value through profit and loss (FVTPL)

- fair value through other comprehensive income (FVOCI).

Equity Instruments:

Investment in subsidiaries are measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, The Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless The Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

The Group does not have any equity investments designated at FVOCI.

Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Derecognition:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset:

In accordance with Ind AS 109, The Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require The Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, The Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

"ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

Financial Liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by The Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are recognised when The Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If The Group determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to The Group, the difference between the loan amount and its fair value is treated as an equity contribution to The Group.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss, unless and to the extent capitalised as part of costs of an asset.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums

or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

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.

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 or loss.

Off setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognised amount and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.7 Impairment of Non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.8 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

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

2.9 Foreign currency transactions

The consolidated financial statements are presented in Indian Rupees (INR), the functional currency of The Group. Items included in the consolidated financial statements of The Group are recorded using the currency of the primary economic environment in which The Group operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Under Previous GAAP, The Group had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as

per the previous GAAP. The Group has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period

2.10 Leases

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

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance lease:

Assets held under finance leases are initially recognised as assets of The Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with The Group's policy on borrowing cost. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that The Group 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.

Operating lease:

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other

than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.

- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.12 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits :

i) Defined contribution plan

The defined contribution plan is post employment benefit plan under which The Group contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Group's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Group's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the

Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

2.13 Share-Based Payments:

Employees of The Group receive remuneration in the form of share based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated by an independent valuer on the basis of Black Scholes model.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The dilutive effect of outstanding options is reflected as additional

share dilution in the computation of diluted earnings per share. When the options are exercised, The Group issues fresh equity shares.

2.14 Government Grant:

Government grants are recognised only when there is reasonable assurance that The Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which The Group recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants :

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

2.15 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

(a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and"

(b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less

costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

2.16 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their

carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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

2.17 Provisions and contingencies

Provisions:

Provisions are recognised when The Group 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where The Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities

A contingent liability 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 Group, or
- a present obligation that arises from past events but is not recognised because :
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of The Group.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.18 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

The Group is engaged in manufacture and trading of synthetic yarn and textiles which is considered as the only reportable business segment. The Group's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates The Group's performance and allocates resources based on analysis of various performance indicators by geographical areas only.

2.19 Related party

A related party is a person or entity that is related to the reporting entity and it includes :

- (a) A person or a close member of that person's family if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to the reporting entity if any of the following conditions apply:
 - (i) The entity and the reporting entity are members of the same Group.
 - (ii) One entity is an associate or joint venture of the other entity.
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- (a) that person's children, spouse or domestic partner, brother, sister, father and mother;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and

responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the consolidated financial statements are in accordance with the above definition as per Ind AS 24.

2.20 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by The Group.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.21 Cash Flow Statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and
- iii. all other items for which the cash effects are investing or financing cash flows.

2.22 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of The Group by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of The Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for

the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

2.23 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.24 Exceptional Items

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of The Group is treated as an exceptional item and the same is disclosed in the consolidated financial statements.

2.25 Corporate Social Responsibility (CSR) expenditure

The Group charges its CSR expenditure during the year to the statement of profit & loss.

2.26 New and amended standards and interpretations: issued but not yet effective

The Group is still evaluating the applicability and relevance of certain new standards & interpretations to existing standards issued, but not yet effective, upto the date of issuance of The Group's Consolidated Financial Statements, on The Group's operations and its impact on the Consolidated Financial Statements of The Group in terms of results, presentation or disclosure. Those that may be relevant to The Group are set out below.

Effective date for application of these amendments is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendments.

The impact of the new Standards are identified to be insignificant for the current recognition and measurement.

Ind AS 116 Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- » Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- » Modified retrospective – Retrospectively, with the cumulative

effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- » Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- » An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Amendment to Ind AS 19 – Plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

3. Property, Plant and Equipment

₹ in Lakhs

Particulars	Land		Building	Lease Hold Improvements	Plant & Machinery [refer note (i) and (ii) below”	Furniture & Fittings	Vehicles	Office Equipment's	Computer	Total Property, Plant and Equipment's	Capital Work in Progress		Total Capital Work in Progress
	Free Hold	Lease Hold									Building	Plant & Machinery	
Gross Carrying Value as at April 01, 2017	2,806.64	4,550.01	9,516.44	88.84	47,919.16	213.32	240.66	98.65	63.76	65,497.48	306.52	266.22	572.74
Additions	-	-	1,879.97	-	33,289.61	13.89	136.38	27.64	61.07	35,408.56	258.46	382.91	641.37
Sales/Adjustments	-	-	-	-	(227.69)	(49.52)	(73.97)	(20.55)	-	(371.73)	(306.52)	(266.22)	(572.74)
Reclassification to assets held for sale	-	(603.92)	(131.75)	-	(1,082.60)	-	-	-	-	(1,818.27)	-	-	-
Gross Carrying Value as at March 31, 2018	2,806.64	3,946.09	11,264.66	88.84	79,898.48	177.69	303.07	105.74	124.83	98,716.04	258.46	382.91	641.37
Additions	-	-	1,576.89	-	432.52	32.11	169.72	36.39	42.02	2,289.65	1,054.49	6,092.82	7,147.31
Sales/Adjustments	-	-	(89.99)	-	(188.02)	(1.44)	(48.00)	(9.40)	(5.20)	(342.05)	(258.46)	(382.91)	(641.37)
Reclassification from assets held for sale	433.10	-	317.93	-	-	-	-	-	-	751.03	-	-	-
Gross Carrying Value as at March 31, 2019	3,239.74	3,946.09	13,069.49	88.84	80,142.98	208.36	424.79	132.73	161.65	1,01,414.67	1,054.49	6,092.82	7,147.31

Particulars	Land		Building	Lease Hold Improvements	Plant & Machinery [refer note (i) and (ii) below"]	Furniture & Fittings	Vehicles	Office Equipment's	Computer	Total Property, Plant and Equipment's	Capital Work in Progress		Total Capital Work in Progress
	Free Hold	Lease Hold									Building	Plant & Machinery	
Accumulated Depreciation as at April 01, 2017	-	37.79	285.20	6.13	2,225.57	25.27	37.63	28.40	13.54	2,659.53	-	-	-
Depreciation Expenses	-	23.95	379.67	8.46	2,534.68	27.21	51.04	22.49	23.39	3,070.89	-	-	-
Deductions/Adjustments	-	-	-	-	(175.24)	(47.57)	(42.09)	(19.40)	-	(284.30)	-	-	-
Reclassification to assets held for sale	-	(18.27)	(87.77)	-	(1,070.44)	-	-	-	-	(1,176.48)	-	-	-
Accumulated Depreciation as at March 31, 2018	-	43.47	577.10	14.59	3,514.57	4.91	46.58	31.49	36.93	4,269.64	-	-	-
Depreciation Expenses	-	19.52	496.95*	8.46	3,800.20	34.84	70.21	27.83	38.80	4,496.81	-	-	-
Deductions/Adjustments	-	-	-	-	(158.53)	(1.22)	(19.75)	(8.05)	(5.13)	(192.68)	-	-	-
Reclassification from assets held for sale	-	-	53.09	-	-	-	-	-	-	53.09	-	-	-
Accumulated Depreciation as at March 31, 2019	-	62.99	1,127.14	23.05	7,156.24	38.53	97.04	51.27	70.60	8,626.86	-	-	-
Net Carrying Value as at March 31, 2018	2,806.64	3,902.62	10,687.56	74.25	76,383.91	172.78	256.49	74.25	87.90	94,446.40	258.46	382.91	641.37
Net Carrying Value as at March 31, 2019	3,239.74	3,883.10	11,942.35	65.79	72,986.74	169.83	327.75	81.46	91.05	92,787.81	1,054.49	6,092.82	7,147.31

* Includes Rs. 10.06 Lakhs on reclassification from assets held for sale

- i) Plant & Machinery includes cost of Rs.342.93 Lakhs (previous year Rs.342.93 Lakhs) of water supply connection from GIDC and Rs. 101.00 Lakhs (Previous Year Rs. 101.00 Lakhs) being cost of electricity transmission lines not owned by The Company being enabling assets.
- ii) Foreign Exchange differences on long term foreign currency loans (as permitted by para. D13AA of Ind AS 101) aggregating Gain of Rs. 83.52 Lakhs (Previous year loss Rs. 937.92 Lakhs) decapitalised/capitalised during the year. The accumulated foreign exchange fluctuation capitalised is Rs. 4,730.73 Lakhs (Upto Previous year Rs. 4,814.25 lakhs).
- iii) Expenditure incurred during construction period Nil (previous year Rs. 673.47 Lakhs) and borrowing cost Nil Lakhs (previous year Rs. 2,290.12 Lakhs) has been capitalised. (Refer note 52)
- iv) Capital work-in-progress includes expenditure incurred during construction period pending allocation aggregating Rs. 369.43 Lakhs (PY: Nil) and borrowing cost Rs. 172.22 Lakhs (PY: Nil) (Refer note 52)
- v) Charge has been created against the aforesaid assets for the borrowings taken by The Company. (Refer note 20 and 25)

4. Intangible Assets

(₹ in Lakhs)

Particulars	Intangible Assets (Computer Software)	Intangible Assets (under Development)
Gross Carrying value as at April 01, 2017	55.04	-
Additions	1.70	36.00
Disposals	-	-
Gross Carrying Value as at March 31, 2018	56.74	36.00
Additions	-	24.70
Disposals	-	-
Gross Carrying Value as at March 31, 2019	56.74	60.70

(₹ in Lakhs)

Particulars	Intangible Assets (Computer Software)	Intangible Assets (under Development)
Accumulated Depreciation as at April 01, 2017	39.56	-
Depreciation Expenses	11.58	-
Disposals	-	-
Accumulated Depreciation as at March 31, 2018	51.14	-
Depreciation Expenses	0.58	-
Disposals	-	-
Accumulated Depreciation as at March 31, 2019	51.72	-
Net Carrying Value as at March 31, 2018	5.60	36.00
Net Carrying Value as at March 31, 2019	5.02	60.70

i) Intangible Assets under Development comprises of expenditure on computer ERP license fee and it's configuration and customization.

5. Non- Current Investments

(₹ in Lakhs)

Particulars	Face Value Per Share	As at March 31, 2019		As at March 31, 2018	
		No. of Shares	Value	No. of Shares	Value
Investments in equity shares					
In Others (Quoted) fully paid at fair value through profit or loss (FVTPL)					
Tata Coffee Ltd.	Rs. 1	-	-	50	0.06
In Others (Unquoted) fully paid at fair value through profit or loss (FVTPL)					
Bhadreshwar Vidyut Private Limited (Shares kept with Park Energy Private Limited, an escrow agent)	Rs. 0.195	28,49,000	5.56	-	-
Total			5.56	-	0.06
Aggregate amount of quoted investments			-		0.06
Market value of quoted investments			-		0.06
Aggregate amount of unquoted investments			5.56		-
Aggregate amount of impairment in value of Investments			6.50		-

Investment Carried at Fair Value through Profit & Loss			5.56		0.06
Investment Carried at Fair Value through Other comprehensive Income			-		-
Investment Carried at Amortised Cost			-		-

6. Non-Current Financial Assets - Loans
(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit	43.88	65.63
Total	43.88	65.63

7. Non Current Other Financial Assets
(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Receivable	1.70	-
Deposits with banks remaining maturity of more than 12 months (refer note 13)	28.36	4.25
Total	30.06	4.25

8. Income Tax Assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax recoverable (net of provisions)	39.85	78.50
Total	39.85	78.50

9. Other Non-Current Assets
(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	1,604.33	876.34
Deposit with excise/sales tax department under protest	40.93	40.94
Prepaid expenses	17.49	7.05
Total	1,662.75	924.33

10. Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials (includes Inventory in Transit Rs. 1515.42 Lakhs, previous year Rs. 1,911.83 Lakhs)	7,029.68	8,327.26
Work In Progress	1,138.94	922.07
Finished Goods (Including goods sold in transit Rs. 923.71 Lakhs, previous year Rs. 713.38 Lakhs)	6,883.72	8,456.12
Packing Material	1,093.46	787.61
Stores, Spares & Consumables (includes Inventory in Transit Rs. 165.71 Lakhs, previous year Nil)	1,123.00	877.33
Total	17,268.80	19,370.39

Inventories have been pledged as security for borrowings, refer note 20 and note 25 for details

11. Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured *	9,869.86	17,052.31
Trade receivables which have significant Increase in Credit risk	-	-
Trade receivables - Credit impaired	414.58	414.58
	10,284.44	17,466.89
Less: Allowance for doubtful trade receivables	414.58	414.58
Total	9,869.86	17,052.31

* Net of bill discounting Rs. 980.59 Lakhs (previous year Rs. 277.74 lakhs) under confirmed Letter of Credits (LC)

There are no trade or other receivables which are due from directors or other officers of the Group either severally or jointly with any other person. Also, there are no trade or other receivables which are due from firms or private companies, in which any director is a partner, a director or a member.

Trade Receivables have been pledged as security for borrowings, refer note 20 and note 25 for details

12. Cash and Cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Balances with Banks *	2,401.61	381.87
Cash on hand	13.64	12.34
Cheques, draft on hand	-	500.00
Total	2,415.25	894.21

* Includes Rs. 113.06 Lakhs (previous year Nil) that are not available for use by the Group as they represent Share application money received against ESOS.

13. Bank Balances (other than Cash and Cash equivalent)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Earmarked balances with bank		
Unpaid dividend a/c *	1.66	4.30
Other Bank balances :-		
Deposits with original maturity of less than 3 months **	172.44	-
“Deposits with original maturity for more than 3 months but upto 12 months ***”	1,827.62	1,656.20
Deposits with original maturity of more than 12 months **	32.36	4.25
Total (B)	2,032.42	1,660.45
Less : Amount disclosed under non current financial assets (refer note 7)	28.36	4.25
Total	2,005.72	1,660.50

* These balance are not available for use by the Group as they represent corresponding unpaid dividend liabilities.

** Deposits are in the nature of Margin Money pledged with banks against Bank Guarantee's given/Letter of Credit's established by the bank

14. Current Financial Assets - Loans

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to Employees	97.78	59.55
Total	97.78	59.55

15. Other Current Financial assets

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Insurance claims receivable	275.29	273.71
Interest Receivable	972.36	143.52
Total	1,247.65	417.23

16. Other current assets
(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to suppliers	793.65	391.20
Deposit with related parties (refer note 45)	15.60	9.60
GST Refund claim with statutory authority	1,556.51	1,982.18
Balance with the statutory/ Government authorities	4,122.28	3,897.25
Export Incentive Receivable	68.97	71.65
Duty Credit Script/ MEIS in hand	31.78	60.83
Prepaid expenses	107.26	182.78
Others	156.09	153.94
Total	6,852.14	6,749.43

17. Assets held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Lands	-	1,019.15
Building	-	308.82
Plant & machinery	-	12.15
Total	-	1,340.12

LAND AND BUILDING AT NANI TAMBADI

The Group had acquired Land at Nani Tambadi for setting up of Multi Filament Yarns facility with continuous polymerisation plant. Due to problems created by local villagers and undue delay in statutory clearances, the project had to be shifted to Dahej, Gujarat. Consequent to this the Company has decided to sell the said land and building constructed thereon during the previous year. The Company had entered into an agreement to sell the land & building and had received advance. On receipt of Pending approvals and NOC from concerned authority, The closure of the deal was likely to completed in FY 2018-19. However, the NOC and approval from the concerned authority could not be obtained and thus the agreement was mutually terminated. The asset has been reinstated to Property, Plant and Equipment in the current year.

18. Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
30,00,00,000 Equity Shares of Rs 2/- each (31st March 2018 : 4,50,00,000 equity shares of Rs. 10/- each)	6,000.00	4,500.00
Total	6,000.00	4,500.00
Issued, subscribed and fully paid-up shares		
21,75,00,000 Equity Shares of Rs. 2/- each fully paid (31st March 2018 : 4,35,00,000 equity shares of Rs. 10/- each fully paid)	4,350.00	4,350.00
Total	4,350.00	4,350.00

Increase in Authorised Share Capital

The Company has increased its Authorised share capital from Rs. 4,500 lakhs to Rs. 6,000 lakhs vide share holder's approval at the Annual General meeting held on September 27, 2018.

Sub Division of equity Shares

Pursuant to shareholders approval at the Extra ordinary General Meeting held on June 15, 2018, the Company sub divided the face value of equity shares of Rs. 10/- per share into five equity shares of Rs. 2 per share on the record date June 28, 2018.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Equity Shares

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the Period	4,35,00,000	4,350.00	4,35,00,000	4,350.00
Add: Increase on account of Share Split	17,40,00,000	-	-	-
Add : Shares issued during the Period	-	-	-	-
Outstanding at the end of the year	21,75,00,000	4,350.00	4,35,00,000	4,350.00

b. Terms / rights attached to equity shares

1. The Company has only one class of equity shares having a par value of Rs.2/- per share (previous year Rs. 10/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares*	% Holding	No. of Shares	% Holding
Equity shares of Rs. 2/- each fully paid up (Previous year Rs. 10/- each fully paid up)				
Madhu Sudhan Bhageria	1,93,11,799	8.88%	37,54,693	8.63%
Purshottam Bhageria	2,17,36,798	9.99%	42,39,693	9.75%
Madhav Bhageria	2,19,24,798	10.08%	42,77,293	9.83%
Azimuth Investments Ltd.	1,56,25,000	7.18%	31,25,000	7.18%
Janus Infrastructure Projects Private Limited	1,35,00,000	6.21%	27,00,000	6.21%

**** Adjusted for sub division of shares***

As per records of the Company including its register of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

d. Shares reserved for issue under Options:

For details of shares reserved for issue under the Employee Stock option Scheme (ESOS) of the company, (refer note 49)

Particulars	As at March 31, 2019	As at March 31, 2018
<i>e. Shares held by holding company or its subsidiaries/their Associates</i>	Nil	Nil

19. Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	1,253.11	1,253.11
Capital Redemption Reserve	1,250.00	1,250.00
Securities Premium	9,734.30	9,734.30
General Reserve	350.43	350.43
Employee Stock Option Outstanding	123.50	61.34
Retained Earnings (Surplus/(deficit))	30,003.58	21,505.76
Total Reserve and Surplus	42,714.92	34,154.94
Share Application Money received against Filatex ESOS 2015 scheme *	113.06	-
Other Comprehensive Income (OCI)	29.83	31.67
Foreign Currency Translation Reserve	(0.21)	0.08
Total	42,857.60	34,186.69

* Amount includes Rs. 11.47 lakhs (previous year nil) received from KMP's (refer note 45).

Nature and Purpose of Reserves

a) Capital Reserve

Capital Reserve was created under the previous GAAP on account of Capital profit in settlement with IDBI Bank and on redemption of certain preference shares.

b) Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of Preference shares out of the profits of the Company in accordance with the requirements of Companies Act.

c) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. This can be utilized in accordance with the provisions of the Companies Act, 2013.

d) General Reserve

This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

e) Employee Stock Option Outstanding

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

f) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to the shareholders.

20. Non Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
From Banks		
(i) Term Loans		
- Rupee loans	10,937.97	16,928.48
- Foreign currency loans	7,949.89	6,455.20
- External Commercial Borrowing (ECB)	21,017.95	23,421.75
(ii) Vehicle Loans	176.93	93.32
Total	40,082.74	46,898.75
Less : Current maturity (refer note 27)	4,723.05	6,548.48
Net Long Term Borrowings (Banks)	35,359.69	40,350.27
(iii) Buyers credit for capital goods	2,559.89	2,941.32
(iv) From a non banking financial institution		
- Term Loan	2,622.64	3,372.86
Less : Current maturity (refer note 27)	984.21	517.54
Net Long Term Borrowings (NBFC)	1,638.43	2,855.32
Total Secured Borrowings	39,558.01	46,146.91
Unsecured		
(v) From body corporate	8,118.00	8,013.25
Total Unsecured Borrowings	8,118.00	8,013.25
Total	47,676.01	54,160.16

I. Term loans

a) From banks under consortium arrangement Rs. 18,887.86 Lakhs (net of transaction cost of Rs. 124.75 Lakhs) [previous Year Rs. 23,383.68 Lakhs (net of transaction cost of Rs. 184.24 lakhs)], are secured by equitable mortgage created/extended by way of deposit of title deeds on pari passu basis in respect of immovable properties and first charge by way of hypothecation of company's all movable assets (save & except vehicles, plant & machinery and equipment acquired through specific loans), pledge of 4,82,41,500 equity shares of the face value of Rs. 2/- each of the Company held by the promoters, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party), personal guarantees of the promoter directors along with corporate guarantee of SMC Yarns Pvt Ltd (related party) upto value of the mortgage property. These loans are further secured by second pari passu charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future)

Rupee loan bear floating interest rate ranging from MCLR plus 2.10% to 3.45% p.a. while Foreign Currency Term Loan (FCTL) bear interest rate of 6 /12 Months Libor + 2.50% to 2.95% p.a. The loans are repayable in ballooning quarterly installments.

b) External Commercial Borrowings (ECB) From Foreign Consortium Banks

(i) Rs. 4,914.43 Lakhs (net of transaction cost Rs. 224.14 Lakhs) [previous Year Rs. 5,954.57 Lakhs (net of transaction cost Rs. 348.46 Lakhs)], are secured by first priority exclusive charge over Fully Drawn Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 16 half yearly equal installments that commenced from December 2016 and bear Interest at 6M Euribor + 1.55% p.a.

(ii) Rs. 15,232.96 Lakhs (net of transaction cost Rs. 1,248.80 Lakhs) [previous Year Rs. 17,467.18 Lakhs (net of transaction cost Rs. 1,546.11 Lakhs)], are secured by first priority exclusive charge over Fully Drawn Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 20 half yearly equal installments that will commence from September 2018 and bear Interest at 6M Euribor + 1.10% p.a.

(iii) Rs. 870.56 Lakhs (net of transaction cost Rs. 462.09 Lakhs) [previous Year Rs. Nil], are secured by first priority exclusive charge over Partial Oriented Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 16 half yearly equal installments that will commence from March 2019 and bear Interest at 6M Euribor + 0.80% p.a.

II. Vehicle loans are secured by hypothecation of specific vehicles acquired out of proceeds of the Loans. The said loans carry interest rate which varies from 8.25% to 11.50% p.a and repayable in 36 - 60 Equated Monthly installments.

III. Buyers' Credit for capital goods amounting to Rs. 2,559.89 Lakhs (Previous Year Rs. 2,941.32 Lakhs) secured by Letters of Undertaking (LOUs) / Letter of Comfort (LOCs) issued by consortium of banks. LOUs / LOCs facility is secured by equitable mortgage created by way of deposit of title deeds on pari passu basis in respect of immovable properties and first charge by way of hypothecation of company's all movable assets (save & except inventories, book debts, vehicles, plant & machinery acquired through specific loans), pledge of 4,82,41,500 equity shares of the face value of Rs. 2/- each of the Company held by the promoter directors, equitable mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of the promoter directors along with corporate guarantee of SMC Yarns Pvt Ltd (related party) to the extent of value of property on pari-passu basis. These loans are further secured by second pari passu basis charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future). The loan bears floating interest 6/12 Months Libor plus 0.72% to 2.30% p.a.

IV. From a non banking financial institution

a) Rs. 810.90 Lakhs (net of transaction cost Rs. 3.24 Lakhs) [Previous year Rs. 889.04 Lakhs (net of transaction cost Rs. 4.10 Lakhs)] is collaterally secured by mortgage created by way of deposit of title deeds in respect of the immovable property belonging to promoters group, and are further secured by corporate guarantee of Azimuth Investments Limited, Promoter's group company (related party) restricted upto the value of property. The loan carries floating interest rate of RFRR - 9.20% i.e. 11.00% p.a. presently and repayable in 120 equated monthly installments that started from May, 2016.

b) Rs. 1,811.74 lakhs (net of transaction cost Rs. 6.45 Lakhs) [previous year Rs. 2483.82 lakhs (net of transaction cost Rs. 16.18 Lakhs)] is collaterally secured by mortgage created by way of deposit of title deeds in respect of immovable property belonging to Elevate Developers Private Limited, (Related party) and are further secured by pledge of 77,50,000 equity shares of face value of Rs. 2/- each held by the promoter group companies. The loan carries floating interest rate of base rate plus 0.30% i.e. 13.25% p.a presently and is repayable in 11 equal quarterly installments starting from October 2018 after a moratorium of 15 months.

V. Unsecured Loans - From body corporates carrying interest @ 9% - 15% p.a. and are payable after 15 months to 36 months from the date of receipt.

21. Non Current Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Dealer's Deposits	589.70	598.31
Deferred Payments	-	124.36
Derivative Financial Liabilities (Foreign exchange forward contracts)	318.88	-
Total	908.58	722.67

22. Non Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity (refer note 47)	393.16	345.57
Provision for Leave Encashment	206.33	170.44
Total	599.49	516.01

23. Deferred tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Components of Income Tax Expense		
I. Tax expense recognised to Statement of Profit & Loss		
a) Current Tax :		
- Current year	2,830.85	1,968.77
- Adjustment/(credits) related to previous years (net)	(0.59)	(0.60)
Total (a)	2,830.26	1,968.17
b) Deferred Tax		
- Relating to origination and reversal of Temporary differences	4,612.96	3,294.24
- Minimum Alternate Tax (MAT) credit entitlement	(2,830.85)	(1,968.77)
Total (b)	1,782.11	1,325.47
Income tax expense reported in the Statement of Profit & Loss (a+b)	4,612.37	3,293.64
II. Tax on other comprehensive income		
Deferred Tax		
- (Gain)/loss on remeasurement of net defined benefit plans	(0.99)	16.66
Total	(0.99)	16.66
B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting Profit before income tax	13,110.19	9,267.84
Less: Profit/(Loss) of Subsidiary	1.53	(4.18)
Net Accounting Profit before Income Tax	13,108.66	9,272.02
India's statutory Income tax rate (%)	34.944%	34.944%
Tax on accounting profit at above rate	4,580.69	3,240.01
Adjustments in respect of Current Income tax of Previous years	(0.59)	(0.60)
Non-deductible/(deductible) expenses for Tax purposes		
- CSR expenditure	40.59	22.18
- Depreciation on leasehold land	4.72	(7.29)
- Difference in Tax rate on sale of Land (Capital Goods)	(30.36)	-
- Employee share based payment expense	21.72	10.04
- Reversal of Deferred tax liability on Fair valuation of land	(3.70)	1.40
- Earlier year MAT credit adjustment	(11.71)	-
- Effect of deferred tax balances due to the changes in Income tax rate	-	48.81
- Other non-deductible expenses	11.01	(20.91)
Income tax expense reported in the statement of Profit & Loss	4,612.37	3,293.64

i) The tax rate used for calculating deferred tax for FY 2018-19 and FY 2017-18 is 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

ii) The Indian Companies have to pay taxes based on the higher of Income-tax profit of the Company or MAT at 21.3416% of book profit for the year 2018-19 and 2017-18.

C. Movement in Deferred Tax Assets and Liabilities

(₹ in Lakhs)

Particulars	As at April 01, 2017	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2018	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2019
a) Deferred tax liability							
- On property, plant and equipment	8,160.93	2,847.14	-	11,008.07	2,464.08	-	13,472.15
- On fair value gain/(loss) on Property, Plant & Equipment	1,513.71	3.71	-	1,517.42	(205.07)	-	1,312.35
Total deferred tax liabilities	9,674.64	2,850.85	-	12,525.49	2,259.01	-	14,784.50
b) Deferred tax assets							
- On Provision for Doubtful Debts and advances	143.48	1.39	-	144.87	-	-	144.87
- On provision for compensated absences (Bonus & Leave encashment)	131.38	9.19	-	140.57	49.34	-	189.91
- On Gratuity and other Employee Benefits	151.52	19.44	-	170.96	29.73	-	200.69
- On fair valuation of forward contracts	(3.92)	3.92		-	-	-	-
- On exchange variation on capital goods charged to P&L	-	16.24		16.24	(174.78)	-	(158.54)
- On unabsorbed depreciation	3,898.29	(901.44)		2,996.85	(2,224.58)	-	772.27
- On deferred Income	326.91	391.21		718.12	(32.67)	-	685.45
Total deferred tax assets before MAT credit entitlement	4,647.66	(460.05)	-	4,187.61	(2,352.96)	-	1,834.65
Total deferred tax liabilities (Net) before MAT credit entitlement	5,026.98	3,310.90	-	8,337.88	4,611.97	-	12,949.85
Less: MAT Credit entitlement	2,251.28	1,968.77	-	4,220.05	2,847.53	-	7,067.58
Total deferred tax liabilities (Net)	2,775.70	1,342.13	-	4,117.83	1,764.44	-	5,882.27

D. Unabsorbed tax depreciation can be claimed for an infinite period

24. Non Current Other liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Income - Govt. Grant (refer note 48(a))	2,392.00	1,966.06
Total	2,392.00	1,966.06

25. Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
From Banks (Secured)		
(i) Working Capital :		
- Rupee loans	5,072.21	4,742.65
- Foreign currency loans	1,945.61	4,036.85
(ii) Short Term borrowing	-	1,073.00
Total	7,017.82	9,852.50

I. Working capital loans from consortium member banks are secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) on pari passu basis and are further secured by way of second charge on block of fixed assets of the Company save & except vehicles and plant & machinery acquired out of specific loan(s). These facilities are further secured by pledge of 4,82,41,500 equity shares of the face value of Rs. 2/- each of the Company held by promoter, equitable mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of promoter directors along with corporate guarantee of SMC Yarns Pvt Ltd (related party) to the extent of value of property i.e. Rs. 434.00 lakhs on pari passu basis. These loans are repayable on demand. Rupee working capital loan carry an interest at MCLR plus 2.10% to 2.60% p.a and foreign currency working capital loan carry an interest at 6M libor + 2.50% p.a.

II. **Bill Discounting:** The above does not include bill discounting of Rs. 980.59 Lakhs (previous year Rs. 277.74 lakhs) from banks against confirmed letter of credit which has been reduced from Trade Receivables (refer note 11).

26. Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payable		
Dues of other than micro, small & medium enterprises		
- Acceptances - Foreign	1,896.50	10,964.07
- Acceptances - Domestic	15,516.25	2,713.97
- Others	296.44	8,389.40
Dues of micro, small & medium enterprises (refer note 43)	189.46	338.59
Total	17,898.65	22,406.03

27. Current Other Financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturity of long term borrowings (refer note 20)		
From Banks (secured)		
(i) Term Loans		
- Rupee loans	1,876.78	5,006.28
- External Commercial Borrowings	2,785.78	1,516.03
(ii) Vehicle Loans	60.49	26.17
From a Non Banking Financial Institution (secured)		
- Rupee loans	984.21	517.54
Interest accrued	132.96	111.64
Dealer's Deposit	64.03	90.91
Unpaid dividend (To be transferred to Investor Education & Protection Fund as and when due)	1.66	4.30
Expenses payable #	335.07	555.56
Derivative Financial Liabilities (Foreign exchange forward contracts)	91.18	56.79
Capital Creditors	1,474.79	1,187.19
Payable other than trade *	1,057.41	1,203.37
Total	8,864.36	10,275.78

Amount includes Rs. 85.40 lakhs (previous year Rs. 52.85 lakhs) payable to KMP's (refer note 45).

* Amount includes Rs. 19.67 lakhs (previous year nil) received from KMP's on account of Tax payment on ESOS (refer note 45).

28. Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	1,774.58	300.42
Deferred Income - Govt. grant (refer note 48(a))	88.03	88.03
Custom Duty payable against export obligation	515.44	-
Dues to statutory authorities	221.67	220.61
Total	2,599.72	609.06

29. Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity (refer note 47)	181.13	143.63
Provision for Leave Encashment	102.88	87.43
Total	284.01	231.06

30. Income Tax Liabilities (net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for tax (net of advance tax)	209.63	112.03
Total	209.63	112.03

31. Liabilities directly associated with assets classified as held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance received against asset held for sale	-	240.00
Total	-	240.00

32. Revenue from operations

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Sale of products	2,84,508.92	1,93,113.27 *
Sale of traded goods	2,334.78	3,827.78
Other operating revenue	566.08	503.98
Total	2,87,409.78	1,97,445.03

* Including excise duty amounting to Rs. 4,685.87 lakhs for Year ending March 31, 2018.

Other operating revenue comprising the following :

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Other operating revenue		
Sales of scrap	409.72	372.77
Export incentives earned	156.36	131.21
Total	566.08	503.98

33. Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on		
a) Financial assets held at amortised cost		
Fixed deposits with banks	130.82	107.42
Others	346.50	520.10
b) Others		
Interest on Income Tax refund	7.59	15.82
Dividend Income		
Dividend on current investment in mutual funds	12.24	46.99
Other non-operating Income		
Net gain on sale of property, plant and equipment [Net of loss of Rs. 9.99 Lakhs (previous year Nil)]	17.51	-
Net gain on foreign currency transaction and translation	441.81	347.26
Government Grant (Refer note 48(a))	93.85	44.64
Insurance claim	59.96	-
Miscellaneous Income	24.25	2.23
Sundry balances written back	47.39	24.86
Total	1,181.92	1,109.32

34. Cost of materials consumed

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Raw Material	2,23,796.56	1,45,916.81
Packing Material	8,230.79	6,438.21
Consumables	762.19	629.88
Total	2,32,789.54	1,52,984.90

35. (Increase)/ decrease in inventories

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Closing stock		
- Finished goods	6,883.72	8,456.12
- Work- In- Progress	1,138.94	922.07
Total	8,022.66	9,378.19
Opening stock		
- Finished goods	8,456.12	7,263.00
- Work- In- Progress	922.07	764.21
Total	9,378.19	8,027.21
- Total (increase)/decrease	1,355.53	(1,350.98)

36. Employee benefit expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	5,685.25	4,393.87
Contribution to provident & other funds	245.66	215.75
Employee Stock Option expense (refer note 49)	62.16	28.74
Gratuity (refer note 47)	74.54	89.87
Staff welfare expenses	256.30	146.51
Total	6,323.91	4,874.74

37. Finance Cost

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest		
- on term loans (refer note 48 (b))	1,831.25	1,643.68
- on working capital & others	1,536.51	1,015.67
- on defined benefit Plan	35.71	31.52
Exchange difference regarded as an adjustment to borrowing Cost	614.10	883.78
Other Borrowing cost	1,453.01	835.98
Total	5,470.58	4,410.63

38. Other expenditure

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Manufacturing Expenses		
Consumption of stores and spares	1,337.46	1,117.81
Power & Fuel	15,065.53	11,669.25
Increase/(decrease) in excise duty on finished goods inventory	-	(577.38)
Total manufacturing Expenses (A)	16,402.99	12,209.68
Selling Expenses		
Market Development Expenses	92.57	39.52
Freight outward	2,126.27	2,019.78
Commission on sales	2,257.45	1,080.88
Total selling expenses (B)	4,476.29	3,140.18
Administration and other expenses		
Rent	199.06	202.83
Repair & Maintenance - Machinery	196.98	186.62
- Building	106.85	72.95
- Other	194.58	136.50
Insurance	141.36	102.29
Rates & taxes	36.04	88.49
Auditor's remuneration (refer note 42)	19.49	18.59
Electricity & Water expenses	64.76	56.99

Printing & stationery	47.77	37.25
Postage, telephone & telegram	50.74	52.71
Travelling & conveyance	316.94	267.03
Vehicle running & maintenance	229.72	177.38
Legal & professional charges	241.44	156.40
Director's sitting fees	8.60	5.72
Security services	6.70	10.66
"Expenditure towards Corporate Social Responsibility (refer note 41)"	116.15	63.48
General expenses	77.85	83.55
Donation & charity (Other than Political Parties)	4.99	1.29
Advertisement & publicity	12.71	10.92
Membership & subscription	16.53	15.85
Loss on sale/discarding of Property, Plant & Equipment [Net of profit of Nil (previous year Rs. 7.04 Lakhs)]	-	21.68
Total administrative & other expenses (C)	2,089.26	1,769.18
Total (A + B + C)	22,968.54	17,119.04

39. Earnings per share (EPS)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Net profit/(loss) for calculation of basic/diluted EPS (Rs. In Lakhs)	8,497.82	5,974.20
Reconciliation of number of shares		
Weighted average number of shares in calculating Basic EPS	21,76,14,682	21,75,00,000
Effect of Dilution:		
Effect of dilutive issue of stock option (ESOS)	40,77,200	34,09,158
Weighted average number of shares in calculating Diluted EPS	22,16,91,882	22,09,09,158
Nominal Value of each share	2	2
Earning per share:		
Basic (Rs.)	3.90	2.75
Diluted (Rs.)	3.83	2.70

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

Vide resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on June 15, 2018 the equity shares of the company with face value of Rs. 10 per share were sub-divided into 5 equity shares of Rs. 2 per share. Consequently, in accordance with Indian Accounting Standard (Ind AS) 33 - "Earning per share" the basic and diluted earnings per share of the previous periods have been retrospectively adjusted for comparative purpose.

The basic and diluted Earnings Per Share and number of shares used for computation of EPS have been adjusted retrospectively to give effect to the sub division of the shares from Rs. 10 face value to Rs. 2 face value. Refer note 18 for further details.

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

i) Contingent liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
A.Claims against The Company not acknowledged as debts		
a)Excise / Custom duty (Mainly relating to reversal of cenvat credit)	563.24	764.83
b) Amount of duty saved on import of plant & machinery under EPCG scheme on pending export obligations	519.80	2,732.06
c) Other Claims against The Company not acknowledged as debts	434.89	434.89
B Guarantees		
a) Letters of Credits	2,289.26	13,517.08
b) Unexpired Bank Guarantees	4,381.47	2,375.85
c) Export Bill Discounting	980.59	277.74
C Other money for which The Company is contingently liable	-	-

The Company does not expect any reimbursement in respect of the above contingent liabilities and it is not practicable to estimate the timings of the cash flows, if any. In respect of the matters pending resolution of the arbitration/ appellate proceedings and it is not probable that an outflow of resources will be required to settle the above obligations/ claims.

Based on the discussion with the solicitors and as advised, The Company believes that there are fair chances of decisions in its favor (in respect of the items listed in A (a) to A (c) above). Hence, no provision is considered necessary against the same.

ii) There are numerous interpretative issues relating to the Supreme Court Judgement on Provident Fund (PF) dated 28th February, 2019. As a matter of caution, the Company has made provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

iii) Capital & other commitments

a) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Property, Plant and equipment	7,482.03	8,353.53

b).Other commitments :

Export obligation of Rs 3,118.80 lakhs (previous year Rs. 16,392.35 lakhs) on account of duty saved on import of plant & machinery under EPCG scheme.

41 In light of Section 135 of the Companies Act, 2013, The Company has incurred expenses on Corporate Social responsibility (CSR) aggregating to Rs. 116.15 Lakhs (previous year Rs. 63.48 Lakhs).

Disclosure in respect of CSR expenditure is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Gross amount required to be spent by the Company during the year	115.89	63.28
b) Amount spent during the year on the following:		
1. Construction/acquisition of asset	63.42	22.13
2. On purposes other than 1 above	52.73	41.35

42. Statutory Auditor's Remuneration (Net of GST/Service tax)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Audit fees (including fees for limited review)	16.08	15.07
b) Tax audit fees	2.50	2.00
c) Certification charges	0.44	0.20
d) Out of pocket expenses	0.47	1.32
Total	19.49	18.59

43. Details of dues to Micro Small & Medium Enterprises Development (MSMED) Act, 2006

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
i) The principal amount & the interest due thereon remaining unpaid at the end of the year		
Principal Amount	189.46	338.59
Interest Due thereon	0.02	0.65
ii) Payments made to suppliers beyond the appointed day during the year		
Principal Amount	79.44	543.56
Interest Due thereon	0.51	2.84
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of the year; and	0.53	3.49
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprises as per MSMED Act, 2006 on the basis of information available with The Company and in cases of confirmation from vendors, interest for delayed payments has not been provided.

44 Segment Information

The Company is primarily engaged in manufacture and trading of synthetic yarn and textiles which is considered as the only reportable business segment. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates The Company's performance and allocates resources based on analysis of various performance indicators by geographical areas only.

Information about Reportable Segment

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
External revenue in the above reportable business segment	2,87,409.78	1,97,445.03

INFORMATION ABOUT GEOGRAPHICAL AREAS

a. Revenue from external customers

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Within India	2,46,336.72	1,60,188.78
Outside India	41,073.06	37,256.25
Total	2,87,409.78	1,97,445.03

b. Non current assets (other than financial instruments and tax assets)

(₹ in Lakhs)

Particulars	As at March 31, 2019	AS at March 31, 2018
Within India	1,01,663.59	96,053.70
Outside India	-	-
Total	1,01,663.59	96,053.70

c. Information about major customer :

There are no major customers contributing to more than 10% of the total revenue.

45 Related Party Disclosure:

(i) Names of related parties and nature of relationships:

a) Key managerial personnel:

i) Shri Madhu Sudhan Bhageria	(Chairman and Managing Director)
ii) Shri Purrshottam Bhaggeria	(Joint Managing Director)
iii) Shri Madhav Bhageria	(Joint Managing Director)
iv) Shri Ashok Chauhan	(Whole time Director)
v) Shri Brij Behari Tandon	(Independent - Non Executive Director)
vi) Shri Swarup Chandra Parija	(Independent - Non Executive Director)
vii) Shri Suraj Prakash Setia	(Independent - Non Executive Director)
viii) Smt. Pallavi Joshi Bakhru	(Independent - Non Executive Director)
ix) Shri Rajendra Prasad Gupta	(Chief Financial Officer) Retired on April 15, 2019
x) Shri Raman Kumar Jha	(Company Secretary)

b) Relative of key managerial personnel:

i) Smt. Anu Bhageria	(Wife of related party mentioned at a(i) above).
ii) Smt. Shefali Bhageria	(Wife of related party mentioned at a(ii) above).
iii) Smt. Gunjan Bhageria	(wife of related party mentioned at a(iii) above).
iv) Ms. Vrinda Bhageria	(Daughter of related party mentioned at a(i) above).
v) Mr. Yaduraj Bhageria	(Son of related party mentioned at a(ii) above).
vi) Mr. Vedansh Bhageria	(Son of related party mentioned at a(iii) above).
vii) Ms. Stuti Bhageria	(Daughter of related party mentioned at a(ii) above).
viii) Mr. Gopal Jha	(Brother of related party mentioned at a(x) above).

c) Subsidiary Company:

i) Filatex Global PTE Ltd. (Applied for Striking off to ACRA on March 07, 2019)

d) Enterprises owned or significantly influenced by key managerial personnel:

i) Purrshottam Bhaggeria Family Trust
ii) Nouvelle Securities Pvt Ltd
iii) SMC Yarns Pvt Ltd
iv) Vrinda Farms Pvt. Ltd.
v) Maan Softech Private Limited
vi) Azimuth Investments Limited
vii) Janus Infrastructure Projects Private Limited
viii) Elevate Developer Private Limited
ix) Animate Infrastructure Private Limited
x) Hill Estate Pvt. Ltd.

(ii) Transactions with related parties during the year :

(₹ in Lakhs)

Nature of Transactions		Nature of Relationship	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent paid				
Vrinda Bhageria		Relative of Key Management Personnel	16.20	14.40
Vedansh Bhageria			10.80	9.60
Yaduraj Bhageria			10.80	9.60
Vrinda Farms Private Limited		Enterprises owned or significantly influenced by Key Managerial Personnel	22.80	22.05
Maan Softech Private Limited			19.80	18.00
Purrshottam Bhaggeria Family Trust			24.00	21.60
Animate Infrastructure Private Limited			10.00	-
Security service paid				
Hill Estate (P) Ltd.		Enterprises owned or significantly influenced by Key Managerial Personnel	3.59	3.12
Sale of Asset (vehicle)				
Ashok Chauhan		Key Management Personnel	-	4.28
Amount Written off				
Filatex Global PTE Ltd.	Investment	Subsidiary Company	6.50	-
	Share Application money		5.17	-
Security Deposit given				
Animate Infrastructure Private Limited		Enterprises owned or significantly influenced by Key Managerial Personnel	6.00	-

Share Application Money received (against exercise price of ESOP)				
Ashok Chauhan		Key Managerial Personnel	5.18	-
Rajendra Prasad Gupta			5.18	-
Raman Kumar Jha			1.11	-
Money received against Tax on perquisite value of ESOP as on the date of exercise				
Ashok Chauhan		Key Managerial Personnel	10.29	-
Rajendra Prasad Gupta			8.22	-
Raman Kumar Jha			1.16	
Unsecured Loan taken, paid and interest paid				
Nouvelle Securities (P) Ltd.				
Unsecured Loan	Taken	Enterprises owned or significantly influenced by Key Managerial Personnel	2,100.00	3,325.00
	Repaid		3,000.00	2,250.00
Interest Paid			174.47	137.14
Janus Infrastructure Projects Private Limited				
Unsecured Loan	Taken	Enterprises owned or significantly influenced by Key Managerial Personnel	800.00	-
	Repaid		-	-
Interest Paid			3.95	-
Managerial Remuneration (Including Commission)				
Madhu Sudhan Bhageria		Key Management Personnel		
- Short-term employee benefits			111.18	95.10
- Post-employment benefits			0.22	0.22
- Other long-term benefits			0.90	0.90
- Termination benefits			20.00	20.00
- Share-based payment			-	-
Purrshottam Bhaggeria				
- Short-term employee benefits			105.25	88.69
- Post-employment benefits			0.22	0.22
- Other long-term benefits			0.77	0.77
- Termination benefits			20.00	18.78
- Share-based payment			-	-
Madhav Bhageria				
- Short-term employee benefits			102.71	86.62
- Post-employment benefits			0.22	0.22
- Other long-term benefits			0.77	0.77
- Termination benefits			17.31	16.72
- Share-based payment			-	-
Ashok Chauhan				
- Short-term employee benefits			33.92	30.57
- Post-employment benefits			-	-
- Other long-term benefits			0.32	0.32
- Termination benefits			3.89	-
- Share-based payment			3.34	1.66
Brij Behari Tandon		Key Management Personnel		
- Director Sitting Fees			2.20	1.51
Swarup Chandra Parija				
- Director Sitting Fees			2.10	1.40

Suraj Prakash Setia				
- Director Sitting Fees		2.10	1.30	
Pallavi Joshi Bakhru				
- Director Sitting Fees		2.20	1.51	
Rajendra Prasad Gupta				
- Short-term employee benefits		23.17	18.58	
- Post-employment benefits		0.22	0.22	
- Other long-term benefits		1.73	1.65	
- Termination benefits		8.00	7.30	
- Share-based payment		2.46	1.33	
Raman Kumar Jha				
- Short-term employee benefits		8.49	6.85	
- Post-employment benefits		0.22	0.22	
- Other long-term benefits		0.61	0.57	
- Termination benefits		1.21	1.00	
- Share-based payment		0.98	0.50	
Vedansh Bhageria				
- Short-term employee benefits	Relative of Key Management Personnel			
- Post-employment benefits		7.50	-	
- Other long-term benefits		0.20	-	
- Termination benefits		0.49	-	
- Share-based payment		0.07	-	
		-	-	
Stuti Bhageria				
- Short-term employee benefits		3.96	-	
- Post-employment benefits		0.05	-	
- Other long-term benefits		0.15	-	
- Termination benefits		-	-	
- Share-based payment		-	-	
Gopal Jha				
- Short-term employee benefits		1.46	-	
- Post-employment benefits		0.12	-	
- Other long-term benefits		0.08	-	
- Termination benefits		0.04	-	
- Share-based payment		-	-	
Sponsorship for Management Course				
Vedansh Bhageria	Relative of Key Management Personnel	32.97	-	

(₹ in Lakhs)

Balance outstanding	Nature of Relationship	As at March 31, 2019	As at March 31, 2018
Managerial Remuneration (net of TDS)			
Madhu Sudhan Bhageria	Key Management Personnel	28.35	18.45
Purrshottam Bhaggeria		28.45	17.15
Madhav Bhageria		28.60	17.25
Unsecured Loan			
Nouvelle Securities (P) Ltd.	Enterprises owned or significantly influenced by Key Managerial Personnel	1,325.00	2,225.00
Janus Infrastructure Projects Private Limited		800.00	-
Balance with Subsidiary Company (Filatex Global PTE Ltd)			
Share Application money	Subsidiary Company	-	5.17
Investment in Share Capital		-	6.50
Share Application Money received (against exercise price of ESOP)			
Ashok Chauhan	Key Managerial Personnel	5.18	-
Rajendra Prasad Gupta		5.18	-
Raman Kumar Jha		1.11	-
Money received against Tax on perquisite value of ESOP as on the date of exercise			
Ashok Chauhan	Key Managerial Personnel	10.29	-
Rajendra Prasad Gupta		8.22	-
Raman Kumar Jha		1.16	-
Security deposit (Rent)			
Vrinda Farms Private Limited	Enterprises owned or significantly influenced by Key Managerial Personnel	3.60	3.60
Maan Softech Private Limited		3.00	3.00
Purrshottam Bhaggeria Family Trust		3.00	3.00
Animate Infrastructure Private Limited		6.00	-
Immovable Property mortgaged/Guarantee given against loan taken by The Company			
SMC Yarns Pvt. Ltd. (Realisable value of the property as per valuation report dated 06.01.2018 P.Y 06.01.2018)	Enterprises owned or significantly influenced by Key Managerial Personnel	336.00	336.00
Azimuth Investments Ltd (Realisable value of the property as per valuation report dated 14.04.2014)		527.00	527.00
Elevate Developer Private Limited (Realisable value of the property as per valuation report dated 24.03.2017)		3,018.00	3,018.00
Satya Bhama Bhageria *	Relative of key Managerial Personnel	866.00	866.00
Anu Bhageria *			
Shefali Bhageria *			
Gunjan Bhageria *			
Vrinda Bhageria			
Madhu Sudhan Bhageria #	Key Management Personnel	1,067.36	862.18
Purrshottam Bhaggeria #		1,281.16	930.46
Madhav Bhageria #		1,501.25	1,073.17

Net worth as on 31st March, 2018 (previous year as on 31st March, 2017)

*Property jointly held by related parties and valuation of property as per valuation report dated 14th April, 2014

Grant of stock options to key managerial personnel (refer note no. 49)

Tranche 1 : (a) Mr. Ashok Chauhan - 2,50,000 Shares, (b) Mr. Rajendra Prasad Gupta - 2,00,000 Share and (c) Mr. Raman Kumar Jha - 75,000 Share of face value of Rs. 2/- per share

Tranche 2: (a) Mr. Ashok Chauhan - 87,500 Shares, (b) Mr. Rajendra Prasad Gupta - 60,000 Share and (c) Mr. Raman Kumar Jha - 25,000 Share of face value of Rs. 2/- per share

46. Leases :

(a) Operating Lease: Company as a lessee

General Description of leasing agreements:

The Group has various operating leases under cancellable operating lease arrangements for accommodation for employees and other assets which are renewable by mutual consent on mutually agreeable terms and range between 11 months to 10 years. The Group has given interest free refundable security deposit in accordance with the agreed terms. There are no restrictions imposed by these arrangements. There are no sub leases. The Group has not entered into any non cancellable lease.

Disclosures with respect to operating leases :

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Operating lease payments recognised in the Statement of Profit and Loss under 'Rent'	199.06	202.83
- Contingent rents recognised as an expense	-	-

(b) Finance Lease:

The Group has entered into finance leases for leasehold land. These leases are generally for a period of 99 years. The land at Dahej, Gujrat can be extended for a further period of 99 years. No part of the land has been sub leased. Except for the initial payment, there are no material annual payments for the aforesaid leases. Refer Note 3 for carrying value.

47. Employee Benefits

Refer note 2.12 for accounting policy on Employee Benefits

A Defined contribution plans

- Provident Fund/Employees' Pension Fund
- Employees' State Insurance

The Company has recognised following amounts as expense in the Statement of Profit and Loss :

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Included in contribution to Provident and Other Funds (Refer Note 36)		
Employer's contribution to Provident Fund/Employees' Pension Fund	244.29	213.55
Included in contribution to Provident and Other Funds (Refer Note 36)		
Contribution paid in respect of Employees' State Insurance Scheme	1.38	2.20

B Defined Benefit Plan

Gratuity: The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

(i) Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(₹ in Lakhs)

Particulars	Defined Benefit Plan- Gratuity	
	As at March 31, 2019	As at March 31, 2018
Present value of obligation	574.29	489.20
Fair value of plan assets	-	-
(Asset)/Liability recognised in the Balance Sheet	574.29	489.20
Net liability-current (Refer Note 29)	181.13	143.63
Net liability-non-current (Refer Note 22)	393.16	345.57
	574.29	489.20

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	Plan Assets	Plan Obligation	Total
As at 1st April, 2017	-	437.80	437.80
Current service cost	-	62.08	62.08
Past service cost	-	27.79	27.79
Interest cost	-	31.52	31.52
Interest income	-	-	-
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(2.32)	(2.32)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(10.67)	(10.67)
Actuarial (gain)/loss arising from experience adjustments	-	(34.69)	(34.69)
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/ (settled)	-	-	-
Benefit payments	-	(22.31)	(22.31)
As at 31st March, 2018	-	489.20	489.20
As at 1st April, 2018	-	489.20	489.20
Current service cost	-	74.54	74.54
Past service cost	-	-	-
Interest cost	-	35.71	35.71
Interest income	-	-	-
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	5.35	5.35
Actuarial (gain)/loss arising from experience adjustments	-	(2.51)	(2.51)
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/ (settled)	-	-	-
Benefit payments	-	(28.00)	(28.00)
As at 31st March, 2019	-	574.29	574.29

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(₹ in Lakhs)

Particulars	Defined Benefit Plan- Gratuity	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenses recognised in the Statement of Profit and Loss for the year		
Employee Benefit Expenses :		
Current service cost	74.54	62.08
Past service cost	-	27.79
Finance costs :		
Interest cost	35.71	31.52
Interest income	-	-
Net impact on profit (before tax)	110.25	121.39
Recognised in other comprehensive income for the year		
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumption	-	(2.32)
Actuarial (gain)/loss arising from changes in financial assumptions	5.35	(10.67)
Actuarial (gain)/loss arising from experience adjustments	(2.51)	(34.69)
Return (gain)/loss on plan assets excluding interest income	-	-
Net impact on other comprehensive income (before tax)	2.84	(47.68)

(iv) Assets

There are no plan assets at the Balance Sheet date for the defined benefit obligations as the plan is unfunded.

(v) Assumptions

Particulars	Defined Benefit Plan- Gratuity	
	As at March 31, 2019	As at March 31, 2018
Financial/Economic Assumptions		
Discount rate (per annum)	7.00%	7.30%
Salary escalation rate (per annum)	7.00%	7.00%
Demographic Assumptions		
Retirement age	58 years	58 years
Mortality table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rates		
Ages (years)		
All Ages	20.00%	20.00%

Notes:-

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2019. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations

(iii) The salary escalation rate is arrived after taking into consideration the inflation, seniority, promotion and other relevant factors on long term basis.

(vi) Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

Particulars	Defined Benefit Plan- Gratuity			
	As at 31st March 2019		As at 31st March 2018	
	Change in assumption	Change in Defined Benefit Obligation (₹ In Lakhs)	Change in assumption	Change in Defined Benefit Obligation (₹ In Lakhs)
Discount rate (per annum) - Increase	1.00%	(17.35)	1.00%	(14.95)
- Decrease	1.00%	18.74	1.00%	16.13
Salary escalation rate (per annum) - Increase	1.00%	18.22	1.00%	15.47
- Decrease	1.00%	(17.17)	1.00%	(14.59)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Weighted average duration of the defined benefit obligation	5 years	5 years
Expected benefit payments within next-		
I year	181.13	143.63
II year	80.67	79.17
III year	73.33	57.40
IV year	55.75	52.88
V year	46.27	38.43
thereafter	137.13	117.69

C Other long-term employee benefit obligations (Included as part of salaries and wages in Note 36 - Employee benefits expense) Includes long term compensated absences. (Refer Accounting policy 2.12)

48 Government Grant

a. Related to or used for assets :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Balance	2,054.09	944.16
Add:- Grant received during the year	519.79	1,154.57
Less:- Grant released to Statement of Profit & Loss	93.85	44.64
Closing Balance	2,480.03	2,054.09
Current (refer note 28)	88.03	88.03
Non-Current (refer note 24)	2,392.00	1,966.06

Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, The Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, The Company would be required to pay the duty saved along with interest to the regulatory authorities.

Pending export obligations attached to above grant amounts to Rs 3,118.80 lakhs (previous year Rs. 16,392.35 lakhs)

b. Related to an expense item :

- Grant on account of interest subvention scheme of the Central Government amounting to Rs. 320.13 Lakhs [previous year Rs. 625.90 Lakhs (including Rs. 294.14 lakhs upto March 31, 2017)] recognised during the year has been deducted from the related interest expense.
- Grant on account of interest subsidy under Gujarat Textile Policy - 2012 amounting to Rs. 691.59 Lakhs [including Rs. 422.98 lakhs upto March 31, 2018 relating to previous years but recognised in the current year in accordance with the accounting policy (refer note 2.14)] has been recognised during the year and deducted from the related interest expense upon approval from the competent authority.

49 Share Based Payments

(I) Employee Stock Option Plans (ESOP)

(Refer Note No 2.13 of accounting policy)

The Board of Directors of The Company had at its meeting held on February 12, 2016, Approved grant of 9,50,000 (face value of Rs. 10/- per share) [subsequently sub-divided into 47,50,000 shares of face value of Rs. 2/- per share] stock options ("options") to the eligible Employees of The Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of Rs. 37 per option (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of The Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

TRANCHE 1

A. Vesting period

- On completion of 3 Years from the date of grant of options for 60%
- On completion of 4 Years from the date of grant of options for 20%
- On completion of 5 Years from the date of grant of options for remaining 20%

B. Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward

till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

The details of the ESOP 2015 plan are:

Particulars	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Number of Options	Weighted average Exercise Price (₹)	Number of Options	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	43,25,000	7.40	47,50,000	7.40
Granted during the year	-	-	-	-
Exercised during the year	15,27,850	7.40	-	-
Forfeited during the year	-	-	-	-
Lapsed during the year	-	-	4,25,000	-
Outstanding at the end of the year	27,97,150	7.40	43,25,000	7.40
Exercisable at the end of the year	10,67,150	7.40	-	-
Weighted average fair value of options on the date of grant per share		Rs. 2.13		Rs. 2.32
The number of shares granted has face value of		Rs. 2.00 each		Rs. 2.00 each
The weighted average contractual life of the options outstanding is		0.6 years		1.6 years
The weighted average share price during the period on exercise of options		Rs. 47.47		-

The following tables list the inputs to the models used for ESOS plan for the years ended March 31, 2019 and March 31, 2018 respectively :

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Dividend yield (%)	0.00%	0.00%
Expected volatility (%)	1 to 5	1 to 5
Risk-free interest rate (%)	7.524%	7.524%
Weighted Average Share Price (Rs.)	7.40	7.40
Exercise Price (Rs.)	7.40	7.40
Expected remaining life of options granted in year	2	3
Model used	Black Scholes	Black Scholes

(II) Employee Stock Option Plans (ESOP)

(Refer Note No 2.13 of accounting policy)

The Board of Directors of The Company had at its meeting held on May 07, 2018, Approved grant of 4,30,000 (face value of Rs. 10/- per share) [subsequently sub-divided into 21,50,000 shares of face value of Rs. 2/- per share] stock options ("options") to the eligible Employees of The Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of Rs. 211 per option (being the closing price at BSE on May 04, 2018 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of The Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

TRANCHE 2

A. Vesting period

On completion of 3 Years from the date of grant of options for 50%

On completion of 4 Years from the date of grant of options for 25%

On completion of 5 Years from the date of grant of options for remaining 25%

B. Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

The details of the ESOP 2015 plan are:

Particulars	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Number of Options	Weighted average Exercise Price (₹)	Number of Options	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,50,000	42.20	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Lapsed during the year	35,000	42.20	-	-
Outstanding at the end of the year	21,15,000	42.20	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average fair value of options on the date of grant per share		Rs. 10.44		-
The number of shares granted has face value of		Rs. 2.00 each		-
The weighted average contractual life of the options outstanding is		1.8 years		-

The following tables list the inputs to the models used for ESOS plan for the years ended March 31, 2019 and March 31, 2018 respectively :

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Dividend yield (%)	0.00%	-
Expected volatility (%)	1 to 5	-
Risk-free interest rate (%)	7.646%	-
Weighted Average Share Price (Rs.)	42.20	-
Exercise Price (Rs.)	42.20	-
Expected remaining life of options granted in year	5	-
Model used	Black Scholes	-

The expected life of the Stock option is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

During the year ended, The Company recorded an employee compensation expense of Rs 62.16 Lakhs (PY Rs. 28.74 Lakhs) in the Statement of Profit & Loss.

50 Particulars of investment made/sold during the year as mandated by the provisions of the section 186 of the Companies Act, 2013:

a) The company has not given any loan or provided any Guarantee during the Financial year March 31, 2019 under Section 186 of the Companies Act, 2013

b) Particulars of Investments Made:

(₹ in Lakhs)

Sr. No	Name of Investee	Purchased During the Year		Outstanding Balance	
		2018-19	2017-18	As at March 31, 2019	As at March 31, 2018
1.	Bhadreshwar Vidyut Private Limited [For purchase of Electricity]	5.56	-	5.56	-

The details of the Investment of the Company are given in note 5 & 7

51. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVES

Financial Instruments - Accounting classification, fair values and fair value hierarchy :

The category wise details as to the carrying value and fair value of The Company's financial assets and financial liabilities including their levels in the fair value hierarchy are as follows:

(₹ in Lakhs)

Particulars	Levels	Carrying values		Fair values	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1. Financial assets at					
a. Fair Value through profit & loss					
Quoted Equity Investments	Level 1	-	0.06	-	0.06
Unquoted Equity Investments	Level 3	5.56	-	5.56	-
b. Fair value through other comprehensive income		-	-	-	-
c. Amortised cost					
Trade receivable	Level 2	9,869.86	17,052.31	9,869.86	17,052.31
Cash & cash equivalents	Level 1	2,415.25	894.21	2,415.25	894.21
Bank balances other than Cash & cash equivalents	Level 1	2,005.72	1,660.50	2,005.72	1,660.50
Loans	Level 2	141.66	125.18	141.66	125.18
Other financial assets	Level 2	1,277.71	421.48	1,277.71	421.48
2. Financial liabilities at					
a. Fair Value through profit & loss					
Derivatives - foreign exchange forward contracts (not designated as hedging instruments)	Level 2	410.06	56.79	410.06	56.79
b. Fair value through other comprehensive income		-	-	-	-
c. Amortised cost					
Borrowings - floating rate	Level 2	54,693.83	64,012.66	54,693.83	64,012.66
Trade payables	Level 2	17,898.65	22,406.03	17,898.65	22,406.03
Other financial liabilities	Level 2	9,362.88	10,941.66	9,362.88	10,941.66

Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2018. The following methods / assumptions were used to estimate the fair values:

1. The carrying value of Cash and cash equivalents, trade receivables, trade payables, short-term borrowings, other current financial assets and financial liabilities approximate their fair value mainly due to the short-term maturities of these instruments.
2. The fair values of investment in quoted investment in equity shares is based on the quoted price in the active market of respective investment as at the Balance Sheet date.

3. **Derivative financial instruments** - The fair value of forward foreign exchange contracts is determined using the forward exchange rates at the balance sheet date using valuation techniques with inputs that are directly or indirectly observable in the marketplace. The derivatives are entered into with the banks/ counterparties with investment grade credit ratings.

4. Description of significant unobservable inputs to valuation (Level 3) :

The following table shows the valuation techniques and inputs used for Non-current financial instruments that are not carried at fair value :

a. Security deposits given against lease and finance lease obligations : Discounted cash flow method using appropriate discounting rate.

b. Non-current Financial assets/liabilities other than above : Expected Cash Flow for the financial instruments

5 **Unquoted equity instruments** : where most recent information to measure fair value is insufficient and where the fair value of these investments cannot be reliably measured, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

6. There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year and no transfer into and out of Level 3 fair value measurements.

II. Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks namely market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by The Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and The Group's activities. The Board of Directors and the Audit Committee is responsible for overseeing The Company's risk assessment and management policies and processes.

The Group's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Group manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee.

a) Credit Risk

Credit risk is the risk of financial loss to The Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The Group's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers to which The Company grants credit terms in the normal course of business and through regular monitoring of conduct of accounts. The Group also holds security deposits for outstanding trade receivables which mitigate the credit risk to some extent.

An impairment analysis is performed at each reporting date on an individual basis for major customers. The history of trade receivables shows a negligible provision for bad and doubtful debts. The management believes that no further provision is necessary in respect of trade receivables based on historical trends of these customers. Further, The Group's exposure to customers is diversified and no single customer has significant contribution to trade receivable balances.

In respect of Financial guarantees provided by The Group to banks & financial institutions, the maximum exposure which The Group is exposed to is the maximum amount which The Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, The Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	414.58	414.58
Impairment loss recognised	-	-
Amount written off as Bad debts	-	-
Closing Balance	414.58	414.58

The credit risk on liquid funds such as banks in current and deposit accounts and derivative financial instruments is limited because the counterparties are banks with high credit-ratings.

b) Liquidity Risk

Liquidity risk is the risk that The Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of The Company's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that The Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
As at 31st March, 2019						
Borrowings and interest thereon *	60,401.09	14,137.41	23,578.01	15,388.89	16,159.70	69,264.02
Trade payables	17,898.65	17,898.65	-	-	-	17,898.65
Other financial liabilities (excluding current maturities of Long term borrowings)	3,655.62	3,065.92	589.70	-	-	3,655.62
Total Non-Derivative Liabilities	81,955.36	35,101.98	24,167.71	15,388.89	16,159.70	90,818.29
Derivatives						
Other Financial Liabilities	410.06	410.06	-	-	-	410.06
Total Derivative Liabilities	410.06	410.06	-	-	-	410.06

(₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
As at 31st March, 2018						
Borrowings and interest thereon *	71,078.68	21,587.67	26,124.58	15,964.26	25,286.00	88,962.51
Trade payables	22,406.03	22,406.03	-	-	-	22,406.03
Other financial liabilities (excluding current maturities of Long term borrowings)	3,875.84	3,152.97	722.67	-	-	3,875.64
Total Non-Derivative Liabilities	97,360.35	47,146.67	26,847.25	15,964.26	25,286.00	1,15,244.18
Derivatives						
Other Financial Liabilities	56.79	56.79	-	-	-	56.79
Total Derivative Liabilities	56.79	56.79	-	-	-	56.79

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company, if any. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period. Interest accrued but not due has been included in other financial liabilities.

The above excludes any financial liabilities arising out of financial guarantee contract.

In respect of Financial guarantees provided by The Company to banks & financial institutions, the maximum exposure which The Company is exposed to is the maximum amount which The Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, The Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Financing facilities :

The Group has access to financing facilities as described in below Note. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Secured bank loan facilities with various maturity dates through to 31st March, 2020 and which may be extended by mutual agreement:		
- amount used	42,642.63	49,840.07
- amount unused	5,610.06	1,053.00
	48,252.69	50,893.07
Unsecured loans from bodies corporate		
- amount used	8,118.00	8,013.25
- amount unused	-	-
	8,118.00	8,013.25
Secured bank overdraft facility :		
- amount used	7,017.82	9,852.50
- amount unused	12,982.18	4,147.50
	20,000.00	14,000.00

c) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments, trade payables, trade receivables, derivative financial instruments and other financial instruments. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, The Group's exposure to market risk is a function of investing and borrowing activities.

i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange risk arises from its foreign currency borrowings and trade receivables and trade payables denominated in foreign currencies. The results of The Group's operations can be affected as the rupee appreciates/depreciates against these currencies. The Company enters into derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Group has a treasury team which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on The Group.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed below):

Particulars	As at 31st March 2019		As at 31st March 2018	
	Amount in Foreign currency	Indian Rupees (₹ In Lakhs)	Amount in Foreign currency	Indian Rupees (₹ In Lakhs)
Currency				
Borrowings (including current maturities)				
USD	37,00,800	2,559.89	44,48,847	2,893.71
Euro	2,95,39,586	22,952.97	3,14,01,189	25,316.33
Interest payable				
USD	72,188	49.93	34,091	22.17
Euro	62,396	48.48	72,906	58.78
Trade Payables & other liabilities				
JPY	-	-	2,94,784	1.81
USD	6,82,268	471.93	1,65,07,443	10,737.12
Euro	-	-	3,72,702	300.48

Foreign Currency Assets	As at 31st March 2019		As at 31st March 2018	
	Amount in Foreign currency	Indian Rupees (₹ In Lakhs)	Amount in Foreign currency	Indian Rupees (₹ In Lakhs)
Currency				
Trade Receivables		-		-
JPY				
USD	45,74,843	3,164.48	58,30,437	3,792.36
Euro	-	-	-	-
Invetsments				
USD	-	-	10,000	6.50

a. Foreign currency sensitivity analysis:

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD, JPY and Euro with INR, with all other variables held constant. The impact on The Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

Particulars	31-Mar-19		31-Mar-18	
	Effect on Profit before tax Gain/(Loss)		Effect on Profit before tax Gain/(Loss)	
5% movement	Strengthening of Foreign Currency	Weakening of Foreign Currency	Strengthening of Foreign Currency	Weakening of Foreign Currency
On Foreign Currency Liability (net of Foreign Currency Assets) :				
JPY	-	-	0.09	(0.09)
USD	(4.14)	4.14	492.71	(492.71)
EURO	1,150.07	(1,150.07)	1,283.78	(1,283.78)

b. Derivative financial instruments :

"The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Outstanding Contracts	Buy/sell	As at March 31, 2019			As at March 31, 2018		
		Amount in Foreign currency	Nominal Value (₹ in Lakhs)	Fair Value (₹ in Lakhs)	Amount in Foreign currency	Nominal Value (₹ in Lakhs)	Fair Value (₹ in Lakhs)
Other Derivatives							
Forward contracts							
in USD	Buy	1,63,01,306	11,595.89	11,275.83	1,61,30,682	10,389.94	10,492.06
in EURO	Buy	5,60,520	444.29	435.54	-	-	-
in YEN	Buy	1,28,97,600	81.76	80.64	-	-	-

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to The Company's long-term debt obligations with floating interest rates.

The Company's investments in term deposits (i.e., margin money) with banks are for short durations, and therefore do not expose The Company to significant interest rates risk

a. Interest rate risk exposure

The exposure of The Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Floating rate instruments :		
Borrowings	62,470.56	73,177.77

b. Interest rate sensitivity :

The sensitivity analysis below have been determined based on exposure to interest rates for borrowings at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of borrowings that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables, in particular foreign currency exchange rates, were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

(₹ in Lakhs)

Particulars	Impact on Profit before Tax	
	For the year ended March 31, 2019	For the year ended 31st March 2018
Floating rate instruments :		
50 basis points increase	(312.35)	(365.89)
50 basis points decrease	312.35	365.89

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

iii.) Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, listed or unlisted equity shares, government securities and fixed deposits. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments, The Company diversifies its portfolio in accordance with the limits set by the risk management policies.

III Capital Risk Management Policies and Objectives

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital and to maximise shareholders value. In order to maintain or adjust the capital structure, The Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce debt, etc

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as interest bearing loans and borrowings less cash and cash equivalents.

The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Debt	60,401.09	71,078.68
Cash and Cash equivalents	2,415.25	894.21
Net debt	57,985.84	70,184.47
Total Equity	47,207.60	38,536.69
Capital and net debt	1,05,193.44	1,08,721.16
Gearing Ratio (%)	55.12%	64.55%

In order to achieve this overall objective, The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

IV Changes in liabilities arising from financing activities

With effect from 01.04.2017, the Group adopted the amendments to Ind AS 7 - Statement of cash flows. The amendments require entities to provide disclosures that enable users of Consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. To the extent necessary to satisfy this requirement, an entity discloses the following changes in liabilities arising from financing activities:

- » Changes from financing cash flows
- » Changes arising from obtaining or losing control of subsidiaries or other businesses
- » The effect of changes in foreign exchange rates
- » Changes in fair values
- » Other changes

Paragraph 44C of Ind AS 7 states that liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities. In addition, the disclosure requirement in paragraph 44A also applies to changes in financial assets (for example, assets that hedge liabilities arising from financing activities) if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

The Group disclosed information about its interest-bearing loans and borrowings. There are no obligations under finance lease and hire purchase contracts.

The amendments suggest that the disclosure requirement may be met by providing a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Where an entity discloses such a reconciliation, it shall provide sufficient information to enable users of the Consolidated financial statements to link items included in the reconciliation to the statement of financial position and the Consolidated statement of cash flows. The Group decided to provide information in a reconciliation format. The major changes in the Group's liabilities arising from financing activities are due to financing cash flows and accrual of financial liabilities. The Group did not acquire any liabilities arising from financing activities during business combinations effected in the current period or comparative period.

(₹ in Lakhs)

Particulars	01.04.2018 (opening balance of current year)	Cash Flows	Non-cash changes				31.03.2019 (closing balance of current year)
			Arising from obtaining or losing control of subsidiaries or other businesses	Foreign exchange movement	Fair value changes	Others	
i. Current interest bearing loans and borrowings (excluding items listed below)	9,852.50	(2,780.29)	-	(54.39)	-	-	7,017.82
ii. Current maturities of Long term borrowings	7,066.02	(7,066.02)	-	-	-	5,707.26	5,707.26
iii. Non-current interest-bearing loans and borrowings (excluding items listed below)	54,160.16	56.92	-	(833.81)	-	(5,707.26)	47,676.01
iv. Interest accrued on borrowings *	111.64	(4,381.48)	-	-	-	4,402.80	132.96
Total liabilities from financing activities	71,190.32	(14,170.87)	-	(888.20)	-	4,402.80	60,534.05

* Represents Interest expenses including interest capitalised as per Ind AS 23 amounting Rs. 158.58 Lakhs and Interest Subsidy receivable from Central and State government amounting Rs. 840.75 Lakhs

(₹ in Lakhs)

Particulars	01.04.2017 (opening balance of comparative year)	Cash Flows	Non-cash changes				31.03.2018 (closing balance of comparative year)
			Arising from obtaining or losing control of subsidiaries or other businesses	Foreign exchange movement	Fair value changes	Others	
i. Current interest bearing loans and borrowings (excluding items listed below)	14,350.76	(4,535.11)	-	36.85	-	-	9,852.50
ii. Current maturities of Long term borrowings	5,399.59	(5,399.59)	-	-	-	7,066.02	7,066.02
iii. Non-current interest-bearing loans and borrowings (excluding items listed below)	33,635.10	25,562.13	-	2,028.95	-	(7,066.02)	54,160.16
iv. Interest accrued on borrowings ^	61.01	(3,554.25)	-	-	-	3,604.88	111.64
Total liabilities from financing activities	53,446.46	12,073.18	-	2,065.80	-	3,604.88	71,190.32

^ Represents Interest expenses including interest capitalised as per Ind AS 23 amounting Rs. 945.53 Lakhs

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings to current due to the passage of time, and the effect of accrued but not yet paid interest on interest bearing loans and borrowings.

52 Capitalisation of Expenditure

The Company has capitalised the following expenses of revenue nature to the cost of capital work in progress (CWIP)/ Property, Plant & Equipment (PPE). Consequently the expenses disclosed under the respective notes are net of amounts capitalised by The Company. The break-up of expenditure is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Raw material consumed	45.14	6,803.91
Other material consumed	-	313.58
Power & Fuel	118.79	653.76
Sub total (A)	163.93	7,771.25
Payments and benefits to Employee		
Salaries & wages	140.05	300.54
Sub total (B)	140.05	300.54
Operating expenses :		
Insurance expenses	3.28	13.99
Travel and conveyance	33.13	62.37
Legal and professional	9.76	18.62
General expenses	19.28	15.77
Sub total (C)	65.45	110.75
Finance costs *		
Interest on term loan	158.58	945.53
Exchange difference regarded as adjustment to borrowing cost	-	1,052.94
Bank Charges	13.64	186.48
Sub total (D)	172.22	2,184.95
Less: Sale of finished goods produced during the trial run (E)	-	5,246.92
Less: Net realisable value of Inventory produced during the trial run (F)	-	2,340.81
Total amount (A)+(B)+(C)+(D)-(E)-(F)	541.65	2,779.76
Add: Opening balance	-	183.83
Less: Amount capitalised to Property, Plant & Equipment	-	2,963.59
Balance to be carried forward	541.65	-

* Interest @ 9% comprises of

1 Rs. 1.04 Lakhs (Previous year Rs. 585.02) on specific borrowings taken for Plant & machinery

2 Rs. 157.54 Lakhs (Previous year Rs. 360.51 Lakhs) on general borrowings taken for other qualifying assets.

53 Use of estimates and judgements

The preparation of Consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, historical experience and other factors, including expectations of future events that are believed to be reasonable, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Group has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these consolidated financial statements pertain to :

Leasehold land :

The Group has entered into several arrangements for lease of land from government entities and other parties. Significant judgment is involved in assessing whether such arrangements are in the nature of finance or operating lease. In making such an assessment, the Group considers

various factors which includes whether the present value of minimum lease payments amount to at least substantially all of the fair value of lease assets, renewal terms, purchase option, sub-lease options etc. Based on evaluation of above factors, leases are evaluated on case to basis for the purpose of treating as in the nature of finance lease.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year :

(i) Impairment of trade receivables:

The impairment provisions for trade receivables are based on based on lifetime expected credit loss based on a provision matrix. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

The Group uses judgment in making assumptions about risk of default and expected loss rates and selecting the inputs to the impairments calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) Fair value measurements of financial instruments:

In estimating the fair value of a financial asset or a financial liability, the Group uses market-observable data to the extent it is available. Where active market quotes are not available, the management applies valuation techniques to determine the fair value of financial instruments. This involves developing estimates, assumptions and judgements consistent with how market participants would price the instrument.

(iii) Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation viz. gratuity and other long-term employee benefit obligation viz. long term compensated absences to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the consolidated financial statements.

(iv) Claims, Provisions and Contingent Liabilities:

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. These estimates could change substantially over time as new facts emerge and each dispute progresses. Information about such litigations is provided in notes to the financial statements.

(v) Income Taxes

Deferred tax assets are recognised for unused tax losses and unabsorbed depreciation carry forwards to the extent that it is probable that taxable profit will be available against which the losses/ depreciation can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(vi) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in notes to the financial statements.

(vii) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Group determines and also reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Such lives are dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

54 Exceptional item Rs. 234.22 Lakhs (previous year loss of Rs. Nil) on account of sale of land and building situated at Noida.

55. Share of Parent Company and subsidiaries in net assets and profit & loss as required in schedule III of Companies Act 2013.

Particulars	Net Assets i.e Total Assets - Total Liabilities			
	As at March 31, 2019 (₹ in Lakhs)	As % of Consolidated Net Assets	As at March 31, 2018 (₹ in Lakhs)	As % of Consolidated Net Assets
Parent Company :				
Filatex India Limited	47,207.60	100.00%	38,549.62	100.02%
Subsidiary :				
Filatex Global Pte Ltd	-	0.00%	(6.43)	-0.02%
Minority Interest in Subsidiary	-	-	-	-
Total	47,207.60	100.00%	38,543.19	100.00%

Particulars	Share in Profit or Loss			
	Year ended March 31, 2019 (Rs. In Lakhs)	As % of Consolidated Net Assets	Year ended March 31, 2018 (Rs. In Lakhs)	As % of Consolidated Net Assets
Parent Company :				
Filatex India Limited	8,482.76	99.84%	6,009.39	100.07%
Subsidiary :				
Filatex Global Pte Ltd	13.22	0.16%	(4.18)	-0.07%
Minority Interest in Subsidiary	-	-	-	-
Total	8,495.98	100.00%	6,005.21	100.00%

56. The figures for the previous years have been regrouped and/or reclassified wherever necessary to conform with the current year presentation.

As per our report of even date attached
for ARUN K. GUPTA & ASSOCIATES
 Firm Registration No. 000605N
 Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

GIREESH KUMAR GOENKA
 Partner
 Membership No. 096655

Madhu Sudhan Bhageria
 Chairman & Managing Director
 DIN : 00021934

Swarup Chandra Parija
 Independent Director
 DIN : 00363608

Place : New Delhi
 Date : April 30, 2019

Anil Dutt Mohla
 Chief Financial Officer

Raman Kumar Jha
 Company Secretary

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