

**Notes to the Financial Statements & Significant Accounting Policies for the year ended March 31, 2018****1 Corporate Information**

John Oakley and Mohan Limited ("The Company") is a public limited company incorporated in India, listed on the Matropolitan Stock Exchange. The registered office of the Company is situated at Flat No. 508, Sethi Bhawan, Rajendra Place, New Delhi - 110008.

The Company is engaged in single primary business of manufacturing and sale of "Coated Abrasives", and has only one reportable segment.

The financial statements for the year ended March 31, 2018 were authorised & approved for issue in accordance with a resolution of the directors on May 30, 2018.

**2. Significant accounting policies****2.1 Statement of compliance**

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Upto the year ended 31st March, 2017, the Company prepared the financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act. These are the Company's first Ind AS financial statements. The date of transition to the Ind AS is 1st April, 2016. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind AS, as at March 31, 2017, and April 1, 2016 and of the Profit/(Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017. (see note 38 for explanation of the transition to IND AS).

**2.2 Basis of preparation and presentation**

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. All assets and liabilities have been classified as current or noncurrent according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

**Notes to the Financial Statements & Significant Accounting Policies for the year ended March 31, 2018**

The Company has uniformly applied the Accounting Policies during the periods presented unless otherwise stated.

All amounts are stated in INR (Rs.)

**2.3 Use of estimates and judgements**

The preparation of these financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented.

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

**2.4 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, sales incentives, value added taxes.

The Company recognises revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk and reward and degree of managerial involvement associated with ownership or effective control have been met for each of the Company's activities as described below.

**2.4.1 Sale of goods**

**Time of recognition :** Domestic and export sales are accounted on transfer of significant risks and rewards to the customer and also no continuing involvement of management to the degree associated with ownership nor effective control over the goods sold which takes place on dispatch of goods from the factory and the port respectively.

**Measurement of revenue :** Accumulated experience is used to estimate and provide for discounts, rebates, incentives and subsidies. No element of financing is deemed present as the sales are made with credit terms, which is consistent with credit terms, which is consistent with market practice.

**2.4.2 Dividend and interest income**

Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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**March 31, 2018**

Interest income from a financial asset is recognised using the effective interest method.

## **2.5 Leases**

Leases are classified as finance leases when 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.

Rental expense from operating leases is recognised on a straight line basis over the term of the relevant lease.

## **2.6 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

## **Transactions and balances**

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

## **2.7 Employee benefits**

### **2.7.1 Short-term obligations**

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

### **2.7.2 Defined Contribution Plans**

Company's contribution paid/payable during the year to provident fund and employee state insurance are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, a shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss.

### **2.7.3 Defined benefit plans**

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. The

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defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Remeasurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

**2.7.4 Compensated absences**

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. Actuarial gains and losses are recognised in statement of profit or loss in which they occur.

**2.8 Income-taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax are calculated using Balance Sheet Approach, 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 it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.



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Current and deferred tax recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

**2.9 Property, plant and equipment**

The cost of Property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other those subsequently recoverable from the tax authorities), any directly attribute expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

**Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using the written-down value line method over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013 except for assets costing Rs.5,000 or less, which are depreciated fully in the year of purchase. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its residual value.

The following useful lives are applied :

<b>Asset Category</b>	<b>Estimated useful life (in years)</b>
<b>Buildings</b>	
- Freehold factory buildings	10 Years
<b>Plant and Equipments</b>	15 Years
<b>Furniture and Fittings</b>	10 Years
<b>Motor Vehicles</b>	08 Years
<b>Office Equipment and Electrical Installation</b>	03-05 Years

**2.10 Intangible assets**

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any. Amortization of intangibles comprising of software is provided on straight line basis over 4 years being its estimated useful life.

**Notes to the Financial Statements & Significant Accounting Policies for the year ended March 31, 2018**

**2.11 Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

**2.12 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost is determined as under:

Stores and Spares – First in First Out

Raw materials and stock in trade : Yearly weighted average

Finished Goods and Work in process : The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and appropriate proportion of variable and fixed overhead expenditure.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**2.13 Provisions and contingencies**

**Provisions:**

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

**Contingent Liabilities:**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or

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more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**2.14 Financial instruments**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification of financial assets**

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test : the contractual term 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.

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

- Business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount

**Notes to the Financial Statements & Significant Accounting Policies for the year ended March 31, 2018**

outstanding.

All other financial assets are measured at fair value through profit or loss.

**Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held 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.

**Financial assets carried at fair value through other comprehensive income (FVTOCI):**

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in profit or loss.

**Financial assets carried at fair value through profit or loss (FVTPL)** Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

**FINANCIAL LIABILITIES**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through Profit or Loss, Loans and Borrowings, and Payables, net of directly attribute transaction costs. The Company's financial liabilities include Loans and Borrowings including Bank Overdraft, Security Deposit received, Trade Payable, Liabilities towards Services and Other Payables.

All Financial Liabilities are recognised initially at fair value and transaction cost that is attribute to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. Consequently write back of unsettled credit balances is done on the previous

**Notes to the Financial Statements & Significant Accounting Policies for the year ended March 31, 2018**

experience of Management and actual facts of each case and recognise in Other Income. 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 as exchange of modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**OFFSETTING OF FINANCIAL INSTRUMENTS**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.15 Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. The application of simplified recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

**2.16 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**2.17 Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fairvalue through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

**2.18 Earning Per Share**

Basic earning per share is computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earning per share is computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

**2.19 Dividends**

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

**Notes to the Financial Statements & Significant Accounting Policies for the year ended March 31, 2018**

**2.20 Exceptional Items**

Exceptional items are transactions which due to their size or incidence are separately disclosed enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges and significant disposal of fixed assets.

**2.21 Standard Issued But Not Effective**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified **Ind AS 115 – Revenue from Contracts with Customers**. Which effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 – Revenue, when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company will adopt the standard to all contracts with customers retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Under this transition method, cumulative effect of initially applying Ind AS 115 is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period. The standard is applied retrospectively only to contracts that are not completed contracts at the date of initial application.

The effect on adoption of Ind AS 115 is expected to be insignificant.

## Notes to Financial Statements

**Note No. 3.**  
**Property, Plant and Equipment**

(All amounts in Rs. unless stated otherwise)

Particulars	Free Holding Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
<b>Gross carrying amount</b>							
Deemed cost as at April 1, 2016	2,519,458	14,261,973	140,298	13,625,013	109,340	30,656,082	-
<b>Balance as at April 1, 2016</b>	<b>2,519,458</b>	<b>14,261,973</b>	<b>140,298</b>	<b>13,625,013</b>	<b>109,340</b>	<b>30,656,082</b>	<b>-</b>
Add: Additions made during the year	-	668,550	50,808	17,744,749	56,025	18,520,132	1,354,937
Less: Disposals / adjustments during the year	-	138,923	-	-	-	138,923	-
<b>Balance as at March 31, 2017</b>	<b>2,519,458</b>	<b>14,791,600</b>	<b>191,106</b>	<b>31,369,762</b>	<b>165,365</b>	<b>49,037,291</b>	<b>1,354,937</b>
Additions/Adjustments	-	2,456,632	-	-	119,313	2,575,945	
Disposals		-					
<b>Balance as at March 31, 2018</b>	<b>2,519,458</b>	<b>17,248,232</b>	<b>191,106</b>	<b>31,369,762</b>	<b>284,678</b>	<b>51,613,236</b>	<b>1,354,937</b>
<b>Accumulated depreciation</b>							
Depreciation expense during the year	258,930	2,603,050	42,279	7,648,415	60,850	10,613,524	-
Less: Disposals / adjustments during the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2017</b>	<b>258,930</b>	<b>2,603,050</b>	<b>42,279</b>	<b>7,648,415</b>	<b>60,850</b>	<b>10,613,524</b>	<b>-</b>
Depreciation expense during the year	230,785	2,385,592	32,025	7,443,201	102,607	10,194,210	
Less: Disposals / adjustments during the year						-	
<b>Balance as at March 31, 2018</b>	<b>489,715</b>	<b>4,988,642</b>	<b>74,304</b>	<b>15,091,616</b>	<b>163,457</b>	<b>20,807,734</b>	<b>-</b>
<b>Net carrying amount</b>							
<b>Balance as at 31 March 2018</b>	<b>2,029,743</b>	<b>12,259,590</b>	<b>116,802</b>	<b>16,278,146</b>	<b>121,221</b>	<b>30,805,502</b>	<b>-</b>
Balance as at 31 March, 2017	2,260,528	12,188,550	148,827	23,721,347	104,515	38,423,767	1,354,937
Balance as at April 1, 2016	2,519,458	14,261,973	140,298	13,625,013	109,340	30,656,082	-

3 A For details of assets pledged/ hypothecated as securities, refer note 18.

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**Notes to the Financial Statements**

**Note No. 4.**  
**Other Intangible assets**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>Computer Software</b>	<b>Total</b>
<b>Gross Carrying Amount</b>		
Deemed cost as at April 1, 2016	-	-
Add: Additions during the year	103,965	103,965
Less: Disposals / adjustments during the year	-	-
<b>Balance as at March 31, 2017</b>	<b>103,965</b>	<b>103,965</b>
Additions/Adjustments	52,817	52,817
Disposals	-	-
<b>Balance as at March 31, 2018</b>	<b>156,782</b>	<b>156,782</b>
<b>Accumulated Amortisation</b>		
Amortisation expense during the year	22,448	22,448
Less: Disposals / adjustments during the year	-	-
<b>Balance as at March 31, 2017</b>	<b>22,448</b>	<b>22,448</b>
Additions/Adjustments	35,150	35,150
Disposals	-	-
<b>Balance as at March 31, 2018</b>	<b>57,598</b>	<b>57,598</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March 2018</b>	<b>99,184</b>	<b>99,184</b>
Balance as at 31 March, 2017	81,517	81,517
Balance as at April 1, 2016	-	-



## Notes to the Financial Statements

Note No. 5.  
Investments

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018			As at March 31, 2017			As at March 31, 2016		
	Face Value	Numbers	Amount	Face Value	Numbers	Amount	Face Value	Numbers	Amount
<b>Quoted Investment (fully paid)</b>									
<b>Equity instruments</b>									
<b>Investments at Fair Value Through OCI</b>									
(i) <b>Investment in Others</b>									
Munjai Auto Industries Limited	2	25,000	1,791,250	2	12,500	629,750	2	12,500	476,875
Shivam Autotech Industries Limited	2	25,000	1,702,500	2	25,000	1,133,750	2	25,000	1,216,250
			<u>3,493,750</u>			<u>1,763,500</u>			<u>1,693,125</u>
<b>Listed Entity but Quote not available</b>									
(ii) <b>Investment in Others</b>									
Mohan Meakin Limited	5	201,751	4,640,273	5	201,751	4,035,020	5	201,751	4,035,020
			<u>4,640,273</u>			<u>4,035,020</u>			<u>4,035,020</u>
<b>Unquoted Investment (fully paid)</b>									
<b>Equity instruments</b>									
<b>Investments at Fair Value Through OCI</b>									
(i) <b>Investment in Others</b>									
Mohan Goldwater Breweries Limited	10	10,000	1	10	10,000	1	10	10,000	1
Maruti Limited	10	3,000	1	10	3,000	1	10	3,000	1
Mohan Carpets (India) Limited	10	25,650	1	10	25,650	1	10	25,650	1
Mohan Zupak Limited	10	100	45,800	10	100	44,536	10	100	44,536
Mohan Closures Private Limited	10	12,000	280,200	10	12,000	396,000	10	12,000	483,240
NU Pack Cartons & Closures Private Limited	10	15,000	2,055,600	10	15,000	1,800,000	10	15,000	1,591,650
			<u>2,381,603</u>			<u>2,240,539</u>			<u>2,119,429</u>
<b>Total Non-Current Investments</b>			<b>10,515,626</b>			<b>8,039,059</b>			<b>7,847,574</b>

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Aggregate Amount of Quoted Investments	4,154,591	4,154,591	4,154,591
(b) Aggregate Amount of Quoted Investments - Market Value	8,134,023	5,798,520	5,728,145
(c) Aggregate Amount of Unquoted Investments	2,381,603	2,240,539	2,119,429
(d) Aggregate Amount of Impairment in Value of Investments	-	-	-

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**Notes to the Financial Statements**

**Note No. 6.**  
**Non-current financial assets- Loans**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good Security deposits	544,404	534,404	535,444
<b>Total Loans</b>	<b>544,404</b>	<b>534,404</b>	<b>535,444</b>

**Note No. 7.**  
**Other non-current financial assets**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Bank deposits having maturity of more than twelve months*	4,899,209	4,273,333	5,288,363
<b>Total non current financial assets</b>	<b>4,899,209</b>	<b>4,273,333</b>	<b>5,288,363</b>

**Note No. 8.**  
**Deferred tax assets/ liabilities**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Accrued expenses deductible on payment	104,011	399,617	1,543,255
Loss allowance for trade receivables	2,535,329	3,173,975	2,369,520
Difference in book written down value and tax written down value of property, plant and equipment	3,217,464	3,291,749	2,529,707
Expected credit loss	54,838	55,883	106,208
	5,911,642	6,921,224	6,548,690
<b>Deferred tax Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax assets/ (liabilities)</b>	<b>5,911,642</b>	<b>6,921,224</b>	<b>6,548,690</b>

## Notes to the Financial Statements

## Note No.

## 8A. Movement of temporary differences

(All amounts in Rs. unless stated otherwise)

Particulars	As at April 1, 2016	Recognised in Profit or Loss	Recognised in OCI	As at March 31, 2017
<b>Deferred Tax Assets</b>				
Accrued expenses deductible on payment	1,543,255	(1,143,638)	-	399,617
Loss allowance for trade receivables	2,369,520	804,455	-	3,173,975
Expected credit loss	106,208	(50,325)		55,883
Remeasurement of Defined Benefit Plan	-	10,572	(10,572)	-
Difference in book written down value and tax written down value of property, plant and equipment	2,529,707	762,042	-	3,291,749
	<b>6,548,690</b>	<b>383,106</b>	<b>(10,572)</b>	<b>6,921,224</b>
<b>Deferred Tax Liabilities</b>	-	-	-	-
<b>Net deferred tax</b>	<b>6,548,690</b>	<b>383,106</b>	<b>(10,572)</b>	<b>6,921,224</b>

Particulars	As at April 1, 2017	Recognised in Profit or Loss	Recognised in OCI	As at March 31, 2018
<b>Deferred Tax Assets</b>				
Accrued expenses deductible on payment	399,617	(295,606)	-	104,011
Loss allowance for trade receivables	3,173,975	(638,646)	-	2,535,329
Expected credit loss	55,883	(1,045)	-	54,838
Difference in book written down value and tax written down value of property, plant and equipment	3,291,749	(74,285)	-	3,217,464
Remeasurement of Defined Benefit Plan	-	325,078	(325,078)	-
	<b>6,921,224</b>	<b>(684,504)</b>	<b>(325,078)</b>	<b>5,911,642</b>
<b>Deferred Tax Liabilities</b>	-	-	-	-
	-	-	-	-
<b>Net deferred tax</b>	<b>6,921,224</b>	<b>(684,504)</b>	<b>(325,078)</b>	<b>5,911,642</b>

**JOHN OAKLEY AND MOHAN LIMITED****Notes to the Financial Statements****Note No. 9.  
Inventories**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>Valued at lower of cost and net realisable value</b>			
Raw material	18,977,005	17,464,719	15,285,406
Work in progress	6,644,952	9,222,846	5,523,007
Finished goods	38,258,978	25,027,229	32,358,733
Stores and spares	2,266,478	1,357,496	1,210,159
<b>Total Inventories</b>	<b>66,147,413</b>	<b>53,072,290</b>	<b>54,377,305</b>

**Note No. 9A**

<b>Finished Goods held at Net Reliable Value :</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
Finished goods	7,931,522	2,949,585	8,234,053

**Note No. 10.  
Trade Receivables**

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>Current</b>			
Secured, considered good	2,834,075	3,102,014	3,268,218
Unsecured, considered good*	64,047,841	58,358,455	57,414,056
Doubtful	9,962,181	9,768,798	7,487,911
<b>Gross Trade Receivables</b>	<b>76,844,097</b>	<b>71,229,267</b>	<b>68,170,185</b>
Less: Allowance for Doubtful Receivables	(9,751,265)	(9,599,779)	(7,166,681)
Less: Expected Credit Loss Allowance	(210,916)	(169,019)	(321,230)
<b>Trade Receivables after Loss Allowance</b>	<b>66,881,916</b>	<b>61,460,469</b>	<b>60,682,274</b>
* Includes amount receivable from related parties			
For terms and conditions of trade receivables owing from related parties; refer note 38.	10,666,758	14,347,346	9,372,849

## Notes to the Financial Statements

## Note No. 11.

## Cash and Cash Equivalents

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Balances with banks</b>			
- in current accounts	216,552	214,672	22,013,169
- Deposits with original maturity of less than three months	4,023,869	9,000,000	-
<b>Cash in hand</b>	<b>170,539</b>	<b>358,881</b>	<b>290,927</b>
<b>Total Cash and Cash Equivalents</b>	<b>4,410,960</b>	<b>9,573,553</b>	<b>22,304,096</b>

## Note No. 12.

## Bank balances other than Cash and Cash Equivalents

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits with original maturity of more than three months but upto 12 months*	6,538,831	6,283,056	2,500,000
Earmarked balances with banks - unpaid dividend accounts	863,421	772,819	705,120
<b>Total Bank balances other than Cash and Cash Equivalents</b>	<b>7,402,252</b>	<b>7,055,875</b>	<b>3,205,120</b>

## Note No. 13.

## Current financial assets - Others

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
Interest accrued on bank deposits	648,328	945,692	548,811
Advance to employees	55,957	27,195	-
<b>Total</b>	<b>704,285</b>	<b>972,887</b>	<b>548,811</b>

**JOHN OAKLEY AND MOHAN LIMITED**  
**Notes to the Financial Statements**

**Note No. 14.**  
**Current Tax Assets (net)**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
Advance income tax (net)	3,465,329	3,396,256	2,164,942
<b>Total</b>	<b>3,465,329</b>	<b>3,396,256</b>	<b>2,164,942</b>

**Note No. 15.**  
**Other Current Assets**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>Unsecured, considered good</b>			
Balances with government authorities	1,682,054	2,182,493	1,261,698
Prepayments	393,325	296,746	275,409
Advances given to suppliers	96,076	67,174	59,866
<b>Total</b>	<b>2,171,455</b>	<b>2,546,413</b>	<b>1,596,973</b>

**Notes to the Financial Statements**
**Note No. 16.**
**Equity share capital**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>Authorised</b>			
800,000 (March 31, 2017: 800,000, April 1, 2016: 800,000) equity shares of Rs. 10 each	8,000,000	8,000,000	8,000,000
20,000 (March 31, 2017: 20,000, April 1, 2016: 20,000) 9% cumulative preference shares of Rs. 100 each	2,000,000	2,000,000	2,000,000
	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
<b>Issued</b>			
500,000 (March 31, 2017: 500,000, April 1, 2016: 500,000) equity shares of Rs. 10 each fully paid-up	5,000,000	5,000,000	5,000,000
	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>Subscribed and fully paid-up</b>			
483,780 (March 31, 2017: 483,780, April 1, 2016: 483,780) equity shares of Rs. 10 each fully paid-up	4,837,800	4,837,800	4,837,800
<b>Total subscribed and fully paid up share capital</b>	<b>4,837,800</b>	<b>4,837,800</b>	<b>4,837,800</b>

**b) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Numbers of Shares	Amount (Rs.)	Numbers of Shares	Amount (Rs.)	Numbers of Shares	Amount (Rs.)
<b>Equity shares</b>						
At the commencement of the year	483,780	4,837,800	483,780	4,837,800	483,780	4,837,800
Add: shares issued during the year	-	-	-	-	-	-
<b>At the end of the year</b>	<b>483,780</b>	<b>4,837,800</b>	<b>483,780</b>	<b>4,837,800</b>	<b>483,780</b>	<b>4,837,800</b>

**c) Terms, rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held.

**d) Details of shares held by shareholders holding more than 5% of aggregate shares in the Company:**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Numbers of Shares	% of holding	Numbers of Shares	% of holding	Numbers of Shares	% of holding
Trade Links Private Limited	87,220	18.03%	87,220	18.03%	87,220	18.03%
Mr Vinay Mohan	72,041	14.89%	72,041	14.89%	72,041	14.89%
Mohan Meakin Limited	48,650	10.06%	48,650	10.06%	48,650	10.06%
LIC Limited	27,770	5.74%	27,770	5.74%	27,770	5.74%

**Note No. 17.****Other equity**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Capital Reserve	66,600	66,600	66,600
b. General reserve	18,370,990	18,370,990	18,120,990
c. Surplus in Statement of Profit and Loss	122,875,502	121,182,572	116,224,363
d. Items of Other Comprehensive Income	7,036,659	3,634,870	3,421,981
	<b>148,349,751</b>	<b>143,255,032</b>	<b>137,833,934</b>



## Notes to the Financial Statements

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>a. Capital Reserve</b>		
Balance as at the beginning of the year	66,600	66,600
Add: Addition during the year	-	-
Less: Reversal during the year	-	-
<b>Balance at the end of the year</b>	<b>66,600</b>	<b>66,600</b>
<b>b. General reserve</b>		
Balance as at the beginning of the year	18,370,990	18,120,990
Add: Transferred from Statement of Profit and Loss	-	250,000
<b>Balance at the end of the year</b>	<b>18,370,990</b>	<b>18,370,990</b>
<b>c. Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	121,182,572	116,224,363
Add: Profit for the year	2,391,602	5,906,928
Less: Appropriations		
Dividend on equity shares [Dividend per share Rs. 1.20 (March 31, 2017: Rs. 1.20)]	(580,536)	(580,536)
Tax on dividend	(118,136)	(118,183)
Less: Transferred from Statement of Profit and Loss		(250,000)
<b>Balance at the end of the year</b>	<b>122,875,502</b>	<b>121,182,572</b>
<b>d. Items of Other Comprehensive Income</b>		
<b>Equity instruments through other comprehensive income</b>		
Balance as at the beginning of the year	3,613,466	3,421,981
Add: Addition / Deletion during the year	2,476,567	191,485
<b>Balance at the end of the year</b>	<b>6,090,033</b>	<b>3,613,466</b>
<b>"Remeasurement" of defined benefit obligations</b>		
Balance as at the beginning of the year	21,404	-
Add: Addition during the year	925,222	21,404
Less: Reversal during the year	-	-
<b>Balance at the end of the year</b>	<b>946,626</b>	<b>21,404</b>
<b>Total other equity</b>	<b>148,349,751</b>	<b>143,255,032</b>

## Nature and purpose of reserve

## i. Capital reserve

Rs. 66,600 is on account of forfeited shares amount originally paid up.

## ii. General reserve

General reserve is created from time to time on transfer of profits from retained earnings.

**JOHN OAKEY AND MOHAN LIMITED****Notes to the Financial Statements****Note No. 18.****Borrowings**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non-current</b>			
<b>Secured- at amortised cost</b>			
Term Loan			
- from a bank *	2,046,208	6,789,503	-
	<b>2,046,208</b>	<b>6,789,503</b>	<b>-</b>
<b>Current</b>			
<b>Secured- at amortised cost</b>			
"From banks - loans			
"repayable on demand"			
Cash Credit**	1,979,478	11,557,211	15,911,956
	<b>1,979,478</b>	<b>11,557,211</b>	<b>15,911,956</b>

**Repayment terms and security disclosure for the outstanding borrowings as at March 31, 2018:**

From banks:

\* Term loan from a bank is currently carrying interest @ 9.36% p.a. repayable originally in 36 monthly installments and secured by hypothecation of a specific asset acquired out of the loan.

\*\* Secured by hypothecation of moveable assets, goods, book debts and guaranteed by a director.

## Notes to the Financial Statements

## Note No. 19.

## Other Financial Liabilities

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non-current</b>			
a. Security deposits	4,868,332	4,618,332	5,157,332
<b>Total</b>	<b>4,868,332</b>	<b>4,618,332</b>	<b>5,157,332</b>
<b>Current</b>			
a. Current maturities of long term borrowings	4,743,305	4,321,042	-
b. Interest accrued but not due on borrowings	37,071	58,707	-
c. Unclaimed matured deposits	2,000	2,000	2,000
d. Unpaid dividend	863,421	772,819	705,120
e. Interest on securities	-	-	-
e. Employee Benefits payable	7,409,657	3,353,053	4,905,388
<b>Total</b>	<b>13,055,454</b>	<b>8,507,621</b>	<b>5,612,508</b>

## Note No. 20.

## Provisions

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non-current</b>			
<b>Provision for employee benefits</b>			
- Compensated absences	235,734	1,039,998	4,526,614
<b>Total</b>	<b>235,734</b>	<b>1,039,998</b>	<b>4,526,614</b>
<b>Current</b>			
<b>Provision for employee benefits</b>			
- Gratuity	3,532,417	824,140	494,468
- Compensated absences	164,309	168,656	141,004
<b>Total</b>	<b>3,696,726</b>	<b>992,796</b>	<b>635,472</b>

## Note No. 21.

## Other Financial Liabilities - Trade Payables

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues of micro small and medium enterprises*	795,254	1,738,195	3,580,355
Others (refer notes below)	18,569,078	9,628,741	10,380,099
<b>Total</b>	<b>19,364,332</b>	<b>11,366,936</b>	<b>13,960,454</b>

**Note No. 22.**  
**Other Current Liabilities**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Statutory dues	4,508,762	4,457,813	4,720,568
b. Advances from customers	882,969	238,928	2,171,626
c. Employees liabilities held in trust	133,631	44,014	387,410
<b>Total</b>	<b>5,525,362</b>	<b>4,740,755</b>	<b>7,279,604</b>

**Note No. 23.**  
**Revenue from operations**

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Sale of Goods</b>		
a. Sale of finished goods (reams)	250,087,589	274,767,941
<b>Sub total (A)</b>	<b>250,087,589</b>	<b>274,767,941</b>
Other operating revenues		
a. Sale of scrap	168,640	104,958
b. Duty draw back		74,155
<b>Sub total (B)</b>	<b>168,640</b>	<b>179,113</b>
<b>Total (A) +(B)</b>	<b>250,256,229</b>	<b>274,947,054</b>

**Note No. 24.**  
**Other income**

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income on financial assets at amortised cost		
i. Interest Income		
- on deposits with banks	927,479	982,666
- on others	137,146	-
ii. Dividend on long-term non trade quoted investments	25,000	27,500
iii. Profit on sale of property, plant and equipment	-	33,156
iv Provisions/liabilities no longer required, written back	10,510	405,978
<b>Total</b>	<b>1,100,135</b>	<b>1,449,300</b>

**Notes to the Financial Statements**
**Note No. 25.**
**Cost of materials consumed**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Raw material		
Opening stock	17,464,719	15,285,406
Add : Purchases	141,985,305	132,974,882
Less : Closing stock	18,977,005	17,464,719
<b>Raw material consumed</b>	<b>140,473,019</b>	<b>130,795,569</b>

**Note No. 26.**
**Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Inventory as the end of the year:		
Finished goods	38,258,978	25,027,229
Work-in-process	6,644,952	9,222,846
	<b>44,903,930</b>	<b>34,250,075</b>
Inventory as the beginning of the year:		
Finished goods	25,027,229	32,358,733
Work-in-process	9,222,846	5,523,007
	<b>34,250,075</b>	<b>37,881,740</b>
<b>Net (increase) / decrease</b>	<b>(10,653,855)</b>	<b>3,631,665</b>

**Note No. 27.**
**Finance Costs**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Interest expense on financial liabilities at amortised cost:		
Interest expenses	1,326,849	1,054,718
<b>Total</b>	<b>1,326,849</b>	<b>1,054,718</b>

**Note No. 28.****Employee benefits Expense**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Salary, wages and bonus, etc	35,820,720	31,022,793
Contribution to provident and other funds	2,827,528	2,479,668
Gratuity	3,946,638	777,057
Staff welfare expenses	2,446,603	2,913,413
<b>Total</b>	<b>45,041,489</b>	<b>37,192,931</b>

**Note No. 29.****Depreciation and amortisation expense**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Depreciation of plant, property and equipment	10,194,210	10,613,524
Amortization of Other Intangible Assets	35,150	22,448
<b>Total</b>	<b>10,229,360</b>	<b>10,635,972</b>

**Note No. 30.****Other expenses**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Consumption of stores and spares	1,151,643	1,092,795
Packing material consumed	6,258,586	3,934,645
Power and fuel	21,138,766	17,376,467
Rent	99,876	85,504
Repair and maintenance		
- Building	796,694	448,461
- Plant and machinery	3,331,000	3,210,412
- Other repair	637,075	732,056
Vehicle expenses	1,861,989	1,407,304
Insurance charges	1,042,665	839,975
Rates and taxes	446,666	1,556,776
Legal and professional fees	3,676,732	4,980,184
Travelling	3,901,854	2,921,029
Director's sitting fees	172,500	155,000
Provision for doubtful debts	233,546	2,600,074
Provision for ECL	41,897	(152,211)
Freight and octroi charges	6,421,234	5,752,621
Commission to others	2,462,507	2,615,626
Increase / (decrease) in excise duty on finished goods	(2,903,712)	(850,616)
Net loss on foreign currency transactions and translation	31,840	33,390
Loss on sale of property, plant and equipment	-	80,729
Miscellaneous expenses	4,889,961	3,977,363
Interest on late payment of Statutory Dues	-	18,350
<b>Total</b>	<b>55,693,319</b>	<b>52,815,934</b>

**Notes to the Financial Statements**

**Note No. 30A.**

**Auditors Remuneration**

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit fees	450,000	825,000
Limited review of unaudited financial results	180,000	555,000
Fees for miscellaneous certificates, etc.	-	260,000
Out-of-pocket expenses	15,000	36,482

**Note No. 31.**

**Income tax**

**A. Amounts recognised in statement of profit and loss**

The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Current tax</b>		
Current year	2,006,947	3,430,000
Adjustment for prior years	(595,119)	75,614
	<b>1,411,828</b>	<b>3,505,614.00</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	684,504	(383,106.00)
	684,504	(383,106.00)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>2,096,332</b>	<b>3,122,508</b>

**B. Amounts recognised in other comprehensive Income/(expense)**

The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Income tax</b>		
Remeasurement of post employment benefit obligation	(325,078)	(10,572)
<b>Income tax charges to other comprehensive income/(expense)</b>	<b>(325,078)</b>	<b>(10,572)</b>

**C. Reconciliation of effective tax rate**

Reconciliation of tax expense and the accounting profit/ (loss) multiplied by India's domestic tax rate for the year ended March 31, 2018 and March 31, 2017:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Profit before tax from continuing operations</b>	<b>4,487,934</b>	<b>9,029,435</b>
<b>Statutory income-tax rate</b>	<b>25.750%</b>	<b>33.063%</b>
Tax using the Company's domestic tax rate	1,155,643	2,985,402
Tax effect of:		
Non-deductible expenses	71,350	67,638
Non-taxable income	(6,438)	(9,092)
Tax-exempt income		
Tax incentives		
Tax effect of change in Tax rate	1,470,894	-
Adjustment for prior years	(595,119)	75,614
Others (Rounding off)	-	2,946
	<b>2,096,332</b>	<b>3,122,508</b>

**Note No. 32.****Other comprehensive income**

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Other comprehensive income</b>		
<b>A. Items that will not be reclassified to profit or loss</b>		
i. Re-measurement of defined benefit obligations	1,250,300	31,976
ii. Equity instruments through other comprehensive income	2,476,567	191,485
Change in fair value of FVOCI equity instruments		
ii. Income tax relating to items that will not be reclassified to profit or loss	(325,078)	(10,572)
<b>Other Comprehensive Income for the year, net of tax</b>	<b>3,401,789</b>	<b>212,889</b>
<b>B. Items that will be reclassified to profit or loss</b>		
"Income tax relating to items that will not be "reclassified to profit or loss"	-	-
<b>Other Comprehensive Income for the year, net of tax</b>	<b>3,401,789</b>	<b>212,889</b>



**Notes to the Financial Statements****Note No. 33.****Earning Per Share****Basic and diluted earnings/ (loss) per share**

Basic and diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity

Particulars	Unit	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/ (loss) after tax attributable to equity shareholders	Rs.	2391602	5906927
Weighted average number of equity shares outstanding during the year	Nos.	483780	483780
Nominal value per share	Rs.	10	10
Basic and diluted earnings/ (loss) per share	Rs.	4.94	12.21

**Note No. 33A.**

WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED AS DENOMINATOR	For the year ended March 31, 2018	For the year ended March 31, 2017
Number of Equity shares at the beginning of the year	4,837,800	4,837,800
Add: Weighted average number of equity shares issued during the year	-	-
Weighted average number of Equity shares for Basic EPS ( ` )	4,837,800	4,837,800
Add: Adjustments	-	-
Weighted average number of equity shares for Diluted EPS ( ` )	4,837,800	4,837,800
Face Value per Equity Share ( ` )	10	10

**Note No. 34.****"CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS****A. Contingent liabilities**

- i. Claims against the company not acknowledged as debts are as follows:

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Goods and Services tax (GST) matters*	417,480	-
<b>Total</b>	<b>417,480</b>	<b>-</b>

\* Matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not, in the opinion of the management, have a material effect on the results of the operations or financial position.

- ii. There are no disputed dues on account of Excise Duty, Service Tax, Income-Tax, Sales Tax, Customs duty, Value Added Tax and cess that have not been deposited by the Company as at March 31, 2018.

**B. Commitments**

- a. **Capital commitments:** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to Rs. NIL (March 31, 2017: Rs. NIL).
- b. **Other commitments:** The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreement in normal course of business. The Company does not have any long term commitments / contracts including derivative contracts for which there will be any material foreseeable losses.
- c. **Guarantees**  
**Guarantees:** Rs. NIL (March 31, 2017: Rs. NIL).

**Note No. 35**

**Operating lease - As a lessee**

The Company has entered into the operating leases on properties with lease term upto one year. The Company has the option to renew the lease at the end of each year. There are no restrictions imposed by the lease arrangements. There are no subleases. The lease rental expense recognised in the Statement of Profit and Loss for the period in respect of leases is Rs.99,876 (March 31, 2017: Rs.85,504).

**Note No. 36**

**Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"**

The Company's business activities predominantly relate to manufacturing of coated and bonded abrasives. Accordingly revenue from manufacturing of coated and bonded abrasives comprises the primary basis of segmental reporting. Hence segmental reporting as defined in Ind AS 108 is not applicable.

**Geographical Information**

The operations of the Company are mainly carried out within the country and therefore, geographical segments are not disclosed.

**Information about major customers**

For the year ended March 31, 2018, Nil (March 31, 2017: two) customers, individually accounted

**Notes to the Financial Statements**

for 10% or more of revenues.

**Note No. 37**

The Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)

"Parties covered under "The Micro, Small and Medium Enterprise Development Act, 2006" (MSMED Act, 2006) have been identified on the basis of confirmation received."

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>		<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
a.	Amount payable to Suppliers under MSMED (Suppliers)		
	Principal	768,666	1,733,622
	Interest due thereon	26,588	4,573
b.	Payment made to suppliers beyond the appointed day during the year		
	Principal	925,349	749,414
	Interest due thereon	26,588	4,573
c.	Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding the interest under MSMED	26,588	4,573
d.	Amount of interest accrued and remaining unpaid	26,588	4,573
e.	Amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	26,588	4,573
f.	Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**Note No. 38****Related party disclosures:**

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

**A. Names of related parties and nature of related party relationship****Key managerial personnel**

Mr. Satish Mohan - Managing Director  
 Mr. Amrit Dev Datt - Independent Director  
 Mr. Ashutosh Doegar - Director  
 Mrs. Usha Mohan - Director

Mr. Radhagovind Narayanan Perumpillavi - Independent Director  
Mr. Satya Narayan Gupta - Independent Director  
Mr Surendra Kumar Seth - Chief Financial Officer cum Company Secretary

**Others (Enterprise over which key management personnel or their relatives are able to exercise significant influence)**

Trade Links Private Limited

V.P. Batra & Co.

**Post employment benefit plans**

John Oakey and Mohan Limited Employees Provident Fund Trust

John Oakey and Mohan Limited Gratuity Fund Trust

**B. Transactions with related parties:**

i) Transaction with Key managerial personnel, their relatives and others

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
<b>Sales</b>		
Trade Links Private Limited	17,774,602	28,307,748
<b>Purchases</b>		
Trade Links Private Limited	17,464	-
<b>Commission Paid</b>		
Trade Links Private Limited	2,462,507	2,615,626
<b>Legal &amp; Professional Expenses</b>		
V.P. Batra & Co.	55,000	40,000
<b>Balance at the year end</b>		
Receivables		
Trade Links Private Limited	10,666,758	14,347,346

## Notes to the Financial Statements

## Transactions with key management personnel

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Salaries including contributions made to provident fund</b>		
Mr. Satish Mohan	1,998,000	1,885,320
Mr Surendra Kumar Seth - Chief Financial Officer cum Company Secretary	1,037,304	945,411
<b>Post-employment defined benefit plan</b>		
<b>Gratuity</b>		
Mr. Satish Mohan	647,125	-
Mr Surendra Kumar Seth - Chief Financial Officer cum Company Secretary	39,767	34,827
<b>Other long term defined benefit plan</b>		
<b>Compensated absences</b>		
Mr. Satish Mohan	-	178,240
Mr Surendra Kumar Seth - Chief Financial Officer cum Company Secretary	49,755	49,047
<b>Directors' Sitting Fee</b>		
Mr. A.D. Dutta - Independent Director	42,500	40,000
Mr. Ashutosh Doegar - Director	42,500	35,000
Mrs. Usha Mohan - Director	30,000	30,000
Mr. PNR Govind - Independent Director	15,000	20,000
Mr. Satya Narayan Gupta - Independent Director	42,500	30,000
<b>Total compensation paid to key management personnel / relatives</b>	<b>3,944,451</b>	<b>3,247,845</b>

## Notes:

## I. Terms and conditions of transactions with the related parties

Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

**Note No. 39.**  
**Employee Benefits**

**A. Defined Contribution plans**

Rs. 22,52,380 (March 31, 2017: Rs. 19,17,271) for provident fund contribution and Rs.5,75,148 (March 31, 2017: Rs. 562,397) for Pension Scheme have been charged to the Statement of Profit and Loss. The contributions towards these schemes are at rates specified in the rules of the schemes. In case of provident fund administered through a trust, shortfall if any, shall be made good by the Company.

"As per the terms of the deed of EPF trust, the Company shall make good the deficiency, if any in the interest rate earned by the trust vis-à-vis to the statutory rate on year to year basis. The benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans.

**B. Defined benefit plans**

Liability for gratuity, privilege leaves and sick leaves is determined on actuarial basis. Gratuity liability is provided to the extent not covered by the funds available in the gratuity fund.

**Gratuity:**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The employees' gratuity fund scheme administered by the Company employees gratuity fund trust through fund manager namely Life Insurance Corporation (LIC) of India, is a defined benefit plan. The present value of obligation is determined on actuarial valuation done by LIC using projected unit credit method to arrive the final obligation.

**The following table set out the status of the defined benefit obligation**

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net defined benefit liability- Gratuity	3,532,417	824,140	494,468
Total employee benefit liabilities			
Non current	-	-	-
Current	3,532,417	824,140	494,468

For details about the related employee benefit expenses, refer note 38.

## Notes to the Financial Statements

*(i) Reconciliation of the net defined benefit liability*

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components :

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	16,767,946	15,508,170
Current service cost	705,957	737,499
Past service cost including curtailment Gains/ Losses	3,179,943	-
Interest cost	1,235,798	1,240,654
"Actuarial (gains) losses recognised in other comprehensive income"	(1,238,401)	606
Benefits paid	(1,893,955)	(718,983)
<b>Balance at the end of the year</b>	<b>18,757,288</b>	<b>16,767,946</b>

*(ii) Reconciliation of the plan assets*

The following table shows a reconciliation from the opening balances to the closing balances for the plan assets and its components

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	15,943,806	15,013,702
Expected return on plan assets	1,175,059	1,201,096
Contribution by the company	113,536	535,943
Benefits paid	(1,893,955)	(718,983)
Fund Manager Charges	(125,474)	(120,534)
"Actuarial (gains) losses recognised in other comprehensive income"	11,899	32,582
<b>Balance at the end of the year</b>	<b>15,224,871</b>	<b>15,943,806</b>
Non-current	17,189,386	16,185,557
Current	1,567,902	582,389

*iii) Expense recognized in profit or loss*

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Total service cost	3,885,900	737,499
Net Interest cost	60,739	39,558
	<b>3,946,639</b>	<b>777,057</b>

**iv) Constitution of plan assets**

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Other than equity, debt, property and bank account	-	-
Funded with LIC*	15,224,871	15,943,806

\*The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of Investments maintained by Life Insurance Corporation are not made available and have therefore not been disclosed.

**(v) Remeasurements recognized in other comprehensive income**

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gain) loss for the year on Assets	1,238,401	(606)
Actuarial (gain) loss for the year on PBO	11,899	32,582
	<b>1,250,300</b>	<b>31,976</b>

**(vi) Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Financial assumptions</b>			
Discount rate	7.80%	7.37%	8.00%
Future salary growth	8.00%	8.00%	8.00%
Expected Rate of return on plan assets	0.00%	7.55%	8.00%
Expected average remaining working lives of employees (years)	16.99	16.80	16.99
<b>Demographic assumptions</b>			
Mortality rate	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)
Retirement age	60/65/80 years	60/65/80 years	60/80 years

Expected contributions to post-employment benefit plans for the next annual reporting period March 31, 2018 - Rs. 11,32,435 (March 31, 2017 - Rs. 8,63,413)

As at March 31, 2018, the weighted average duration of the defined benefit obligation was 13.60 years (March 31, 2017 : 14.37 years)



## Notes to the Financial Statements

## v) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(All amounts in Rs. unless stated otherwise)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5%)	(464,152)	492,103	(414,437)	439,748
Future salary growth (1%)	423,448	(409,743)	435,008	(413,939)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

## (vi) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

(All amounts in Rs. unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Year 1	1,567,902	582,389	312,212
Year 2	8,593,460	9,178,564	327,978
Year 3	160,983	125,505	333,514
Year 4	1,734,161	1,554,995	337,999
Year 5	299,359	286,907	1,079,663
Over 5 years	6,401,423	5,039,586	13,116,804

## (vii) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

A) Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability - Actual death & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rate at subsequent valuations can impact Plan's liabilities.

**Note No. 40.****Financial instruments – Fair values and risk management****a. Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**i. As on April 1, 2016**

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	Carrying Value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level1	Level2	Level3
<b>Financial assets</b>								
<b>Non-current</b>								
(i) Investments								
Equity instrument	5	-	7,847,574		7,847,574	1,693,125	-	6,154,449
(ii) Loans*	6	-		535,444	535,444	-	-	-
(iii) Other financial assets*	7	-		5,288,363	5,288,363	-	-	-
<b>Current</b>								
(i) Investments*								
Equity instrument			-	-	-	-	-	-
(ii) Trade receivables*	10	-		60,682,274	60,682,274	-	-	-
(iii) Cash and cash equivalents*	11	-		22,304,096	22,304,096	-	-	-
(iv) Bank balances other than (iii) above*	12	-		3,205,120	3,205,120	-	-	-
(v) Loans*		-		-	-	-	-	-
(vi) Other financial assets*	13	-		548,811	548,811	-	-	-
<b>Total</b>		-	7,847,574	92,564,108	100,411,682			
<b>Financial liabilities</b>								
<b>Non-current</b>								
(i) Borrowings#	18	-	-	-	-	-	-	-
(ii) Trade payables*		-	-	-	-	-	-	-
(iii) Other financial liabilities*	19	-	-	5,157,332	5,157,332	-	-	-
<b>Current</b>								
(i) Borrowings#	18	-	-	15,911,956	15,911,956	-	-	-
(ii) Trade payables*	21	-	-	13,960,454	13,960,454	-	-	-
(iii) Other financial liabilities*	19	-	-	5,612,508	5,612,508	-	-	-
<b>Total</b>		-	-	40,642,250	40,642,250			

## Notes to the Financial Statements

## B. As on March 31, 2017

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	Carrying Value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level1	Level2	Level3
<b>Financial assets</b>								
<b>Non-current</b>								
(i) Investments								
Equity instrument	5	-	8,039,059		8,039,059	1,763,500	-	6,275,559
(ii) Loans*	6	-	-	534,404	534,404	-	-	-
(iii) Other financial assets*	7	-	-	4,273,333	4,273,333	-	-	-
<b>Current</b>								
(i) Investments*								
Equity instrument			-	-	-	-	-	-
(ii) Trade receivables*	10	-	-	61,460,469	61,460,469	-	-	-
(iii) Cash and cash equivalents*	11	-	-	9,573,553	9,573,553	-	-	-
(iv) Bank balances other than (iii) above*	12	-	-	7,055,875	7,055,875	-	-	-
(v) Loans*		-	-	-	-	-	-	-
(vi) Other financial assets*	13	-	-	972,887	972,887	-	-	-
<b>Total</b>		-	8,039,059	83,870,521	91,909,580			
<b>Financial liabilities</b>								
<b>Non-current</b>								
(i) Borrowings#	18	-	-	6,789,503	6,789,503	-	-	-
(ii) Trade payables*		-	-	-	-	-	-	-
(iii) Other financial liabilities*	19	-	-	4,618,332	4,618,332	-	-	-
<b>Current</b>								
(i) Borrowings#	18	-	-	11,557,211	11,557,211	-	-	-
(ii) Trade payables*	21	-	-	11,366,936	11,366,936	-	-	-
(iii) Other financial liabilities*	19	-	-	8,507,621	8,507,621	-	-	-
<b>Total</b>		-	-	42,839,603	42,839,603			

## iii. As on March 31, 2018

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	Carrying Value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level1	Level2	Level3
<b>Financial assets</b>								
<b>Non-current</b>								
(i) Investments								
Equity instrument	5	-	10,515,626	-	10,515,626	3,493,750	-	7,021,876
(ii) Loans*	6	-	-	544,404	544,404	-	-	-
(iii) Other financial assets*	7	-	-	4,899,209	4,899,209	-	-	-
<b>Current</b>								
(i) Investments*								
Equity instrument			-	-	-	-	-	-
(ii) Trade receivables*	10	-	-	66,881,916	66,881,916	-	-	-
(iii) Cash and cash equivalents*	11	-	-	4,410,960	4,410,960	-	-	-
(iv) Bank balances other than (iii) above*	12	-	-	7,402,252	7,402,252	-	-	-
(v) Loans*		-	-	-	-	-	-	-
(vi) Other financial assets*	13	-	-	704,285	704,285	-	-	-
<b>Total</b>		-	10,515,626	84,843,026	95,358,652			
<b>Financial liabilities</b>								
<b>Non-current</b>								
(i) Borrowings#	18	-	-	2,046,208	2,046,208	-	-	-
(ii) Trade payables*		-	-	-	-	-	-	-
(iii) Other financial liabilities*	19	-	-	4,868,332	4,868,332	-	-	-
<b>Current</b>								
(i) Borrowings#	18	-	-	1,979,478	1,979,478	-	-	-
(ii) Trade payables*	21	-	-	19,364,332	19,364,332	-	-	-
(iii) Other financial liabilities*	19	-	-	13,055,454	13,055,454	-	-	-
<b>Total</b>		-	-	41,313,803	41,313,803			

# The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

\* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, investments, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The other non-current financial assets represents security deposits given to various parties, loans and advances to employees and bank deposits (due for maturity after twelve months from the reporting date), and other non-current financial liabilities, the carrying value of which approximates the fair values as on the reporting date.

**Notes to the Financial Statements****Fair Value hierarchy**

- Level 1 :** Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.
- Level 2 :** Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly.
- Level 3 :** Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments and quoted equity instruments for which the market data is not available.

**Valuation processes**

The fair value of unquoted equity instruments or equity instruments where market data is not available is determined by the valuers

**b. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk - Interest rate
- Price risk - BSE Index

**Risk management framework**

Financial risk management within the Company is governed by policies and guidelines approved by the senior management and the Board of Directors. These policies and guidelines cover interest rate risk, credit risk and liquidity risk. Company policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Review of the financial risk is done regularly by the senior management and the Board of Directors.

**Note No. 40.****Financial instruments – Fair values and risk management - continued****(i) Credit risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments	5	-	-	-
Trade receivables	10	66,881,916	61,460,469	60,682,274
Cash and cash equivalents	11	-	-	-
Balances other than cash and cash equivalents	12	-	-	-
Loans	6	-	-	-
Other financial assets	7&13	-	-	-

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 on cash and cash equivalents is limited as the Company generally invests in deposits with banks.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Maximum Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company manages its credit risk through continuous monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

"The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance. However the Company based upon historical experience determines an impairment allowance for loss on receivables."

**The Company's exposure to credit risk for trade receivables is as follows:**

(All amounts in Rs. unless stated otherwise)

Particulars	Gross carrying amount		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1-180 days	62,995,932	58,282,825	55,964,114
180 to 365 days	2,612,181	2,606,702	2,116,709
More than 365 days	1,273,803	570,942	2,601,451
	<b>66,881,916</b>	<b>61,460,469</b>	<b>60,682,274</b>

The Company continuously reviews the credit given and the recoverability of the amounts due. Majority of trade receivables are from the customers with whom the Company has long outstanding satisfactory dealings.

**Notes to the Financial Statements**
**Movement in the loss allowance in respect of trade receivables:**

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	10	9,768,798	7,487,911
Add: Provisions made during the year		285,953	2,600,074
Less: Reversal of the provision		(82,060)	(152,211)
Less: Written off		(10,510)	(166,976)
<b>Balance at the end of the year</b>	<b>10</b>	<b>9,962,181</b>	<b>9,768,798</b>

**Note No. 40.**
**Financial instruments – Fair values and risk management - continued**
**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's liquidity management process as monitored by management, includes day to day funding, managed by monitoring cash flows to ensure that requirements is met.

**I. Financing arrangements**

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
From banks	18	13,020,522	3,442,789	-
From others		-	-	-

**II. Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(All amounts in Rs. unless stated otherwise)

As at April 1, 2016	Note Reference	Carrying Amount	Contractual cash flows			
			0-1 Year	1-5 years	More than 5 years	Total
<b>Non-current liabilities</b>						
Borrowings	18	-	-			-
Other financial liabilities	19	5,157,332	-	5,157,332		5,157,332
			-			-
<b>Current liabilities</b>						
Borrowings	18	15,911,956	15,911,956			15,911,956
Trade payables	21	13,960,454	13,960,454			13,960,454
Other financial liabilities	19	5,612,508	5,612,508			5,612,508
<b>Total</b>		<b>40,642,250</b>	<b>35,484,918</b>	<b>5,157,332</b>	<b>-</b>	<b>40,642,250</b>

(All amounts in Rs. unless stated otherwise)

As at March 31, 2017	Note Reference	Carrying Amount	Contractual cash flows			
			0-1 Year	1-5 years	More than 5 years	Total
<b>Non-current liabilities</b>						
Borrowings	18	6,789,503	-	6,789,503		6,789,503
Other financial liabilities	19	4,618,332	-	4,618,332		4,618,332
						-
<b>Current liabilities</b>						
Borrowings	18	11,557,211	11,557,211			11,557,211
Trade payables	21	11,366,936	11,366,936			11,366,936
Other financial liabilities	19	8,507,621	8,507,621			8,507,621
<b>Total</b>		<b>42,839,603</b>	<b>31,431,768</b>	<b>11,407,835</b>	<b>-</b>	<b>42,839,603</b>

(All amounts in Rs. unless stated otherwise)

As at March 31, 2018	Note Reference	Carrying Amount	Contractual cash flows			
			0-1 Year	1-5 years	More than 5 years	Total
<b>Non-current liabilities</b>						
Borrowings	18	2,046,208	-	2,046,208		2,046,208
Other financial liabilities	19	4,868,332	-	4,868,332		4,868,332
						-
<b>Current liabilities</b>						
Borrowings	18	1,979,478	1,979,478			1,979,478
Trade payables	21	19,364,332	19,364,332			19,364,332
Other financial liabilities	19	13,055,454	13,055,454			13,055,454
<b>Total</b>		<b>41,313,804</b>	<b>34,399,264</b>	<b>6,914,540</b>	<b>-</b>	<b>41,313,804</b>

**Note No. 40.****Financial instruments – Fair values and risk management - continued****(iii) Market risk**

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company's operations are mainly in India and therefore rupee denominated, except import of some raw materials and stores.

**Currency risk**

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

**Exposure to currency risk**

The Company did not have any exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2018, March 31, 2017 and April 1, 2016.



**Notes to the Financial Statements****Note No. 40.****Financial instruments – Fair values and risk management - continued****(iii) Market risk****Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

**Exposure to interest rate risk**

The Company's interest rate risk arises majorly from the borrowings from banks carrying floating rate of interest. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Fixed Rate borrowings</b>				
Term loans from banks (Non current)	18	2,046,208	6,789,503	-
Public deposits	19	2,000	2,000	2,000
Current maturities of borrowings	19	4,743,305	4,321,042	-
		<b>6,791,513</b>	<b>11,112,545</b>	<b>2,000</b>
<b>Variable Rate borrowings</b>				
Cash credits	18	1,979,478	11,557,211	15,911,956
		1,979,478	11,557,211	15,911,956
<b>Total</b>		<b>8,770,991</b>	<b>22,669,756</b>	<b>15,913,956</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

(All amounts in Rs. unless stated otherwise)

Particulars	Profit or Loss	
	100 bps increase	100 bps increase
<b>Interest on cash credits</b>		
For the year ended March 31, 2018	13,003	(13,003)
For the year ended March 31, 2017	10,501	(10,501)

**(iv) Price Risk - Sensitivity**

Following table demonstrate sensitivity to a reasonably possible change in equity index where investments of Company are listed. Impact on company's profit before tax is due to changes in BSE Index.

(All amounts in Rs. unless stated otherwise)

Particulars	Impact on profit before tax		Impact on Other Components of Equity before tax	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
BSE Index Increase by 5%	-	-	174,688	88,175
BSE Index Decrease by 5%	-	-	(174,688)	(88,175)

**Note No. 41.****Capital management**

"For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the company plus interest-bearing debts).

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>Note Reference</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
Borrowings	18 & 19	8,770,991	22,669,756	15,913,956
Less : Cash and cash equivalent	11	(4,410,960)	(9,573,553)	(22,304,096)
<b>Adjusted net debt (A)</b>		<b>4,360,031</b>	<b>13,096,203</b>	<b>-</b>
<b>Total equity (B)</b>		<b>153,187,551</b>	<b>148,092,832</b>	<b>142,671,734</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>		<b>2.85%</b>	<b>8.84%</b>	<b>-</b>

**Dividend**

(All amounts in Rs. unless stated otherwise)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
Total Number of Equity shares outstanding	483,780	483,780	483,780
Interim dividend for the year	-	-	-
Final dividend for the year (not recognised at the end of reporting period) – Subject to approval of Shareholders in ensuing Annual General Meeting. (Rs.)	580,536	580,536	580,536

**Notes to the Financial Statements****Note No. 42.****Explanation of transition to Ind AS**

As mentioned in note 2.1 (i), these financial statements for the year ended March 31, 2018, are the first financial statements of the Company prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with "previous GAAP", including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended March 31, 2018 including the comparative information for the year ended March 31, 2017 and the opening Ind AS balance sheet as on the date of transition i.e. April 1, 2016.

"Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ended on or after March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind-AS.

According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective for the financial year ended March 31, 2018. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements. Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 1, 2016 compared with those presented in the previous GAAP Balance Sheet as of March 31, 2016, were recognised in equity within the Ind AS Balance Sheet.

**A. Exemptions and exceptions availed**

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

**Transition elections**

Explanation of the Ind AS 101 exceptions and exemptions to the full retrospective application of Ind AS applied by the Company.

In the Ind AS opening Balance Sheet as at April 1, 2016, the carrying amounts of assets and liabilities from the previous GAAP as at March 31, 2016 are generally recognized and measured according to Ind AS in effect for the financial year ended as on March 31, 2018. For certain individual cases, however, Ind AS 101 provides for optional exemptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions in preparing its Ind AS opening Balance Sheet.

**a) Ind AS optional exemptions:****(i) Property, plant and equipment and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure the property, plant and equipment and intangible assets at their previous GAAP values.

**b) Ind AS mandatory exceptions:****(i) Estimates**

"An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

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

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**B. Reconciliations between previous GAAP and Ind AS:**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

## Notes to the Financial Statements

## Note No. 42.

## Explanation of transition to Ind AS - Continued

## (i) Reconciliation of equity as at April 1, 2016:

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	Amount as per Previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		30,656,082	-	30,656,082
Capital work-in progress		-	-	-
Intangible assets		-	-	-
Financial assets				-
(i) Investments	1	4,425,594	3,421,980	7,847,574
(ii) Loans		535,444	-	535,444
(iii) Other financial assets		5,288,363	-	5,288,363
Deferred tax assets (net)	4	6,442,482	106,208	6,548,690
<b>Total non-current assets</b>		<b>47,347,965</b>	<b>3,528,188</b>	<b>50,876,153</b>
<b>Current assets</b>				
Inventories		54,377,305	-	54,377,305
Financial assets				
(i) Trade receivables	6	61,003,504	(321,230)	60,682,274
(ii) Cash and cash equivalents		22,304,096	-	22,304,096
(iii) Other Bank Balances		3,205,120	-	3,205,120
(iv) Other financial assets		548,811	-	548,811
Current Tax Assets (Net)		2,164,942	-	2,164,942
Other current assets		1,596,973	-	1,596,973
<b>Total current assets</b>		<b>145,200,751</b>	<b>(321,230)</b>	<b>144,879,521</b>
<b>Total assets</b>		<b>192,548,716</b>	<b>3,206,958</b>	<b>195,755,674</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital		4,837,800	-	4,837,800
Other equity		133,928,257	3,905,677	137,833,934
<b>Total equity</b>		<b>138,766,057</b>	<b>3,905,677</b>	<b>142,671,734</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Other financial liabilities		5,157,332	-	5,157,332
Provisions		4,526,614	-	4,526,614
<b>Total non-current liabilities</b>		<b>9,683,946</b>	<b>-</b>	<b>9,683,946</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings		15,911,956	-	15,911,956
(ii) Trade payables		13,960,454	-	13,960,454
(iii) Other financial liabilities		5,612,508	-	5,612,508
Other current liabilities		7,279,604	-	7,279,604
Provisions	2	1,334,191	(698,719)	635,472
<b>Total current liabilities</b>		<b>44,098,713</b>	<b>(698,719)</b>	<b>43,399,994</b>
<b>Total equity and liabilities</b>		<b>192,548,716</b>	<b>3,206,958</b>	<b>195,755,674</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**Note No. 42.****Explanation of transition to Ind AS - Continued****(ii) Reconciliation of equity as at March 31, 2017:**

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	Amount as per Previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		38,423,767	-	38,423,767
Capital work-in progress		1,354,937	-	1,354,937
Intangible assets		81,517	-	81,517
Financial assets				-
(i) Investments	1	4,425,594	3,613,465	8,039,059
(ii) Loans		534,404	-	534,404
(iii) Other financial assets		4,273,333	-	4,273,333
Deferred tax assets (net)	4	6,865,341	55,883	6,921,224
<b>Total non-current assets</b>		<b>55,958,893</b>	<b>3,669,348</b>	<b>59,628,241</b>
<b>Current assets</b>				
Inventories		53,072,290	-	53,072,290
Financial assets				
(i) Trade receivables	6	61,629,488	(169,019)	61,460,469
(ii) Cash and cash equivalents		9,573,553	-	9,573,553
(iii) Other Bank Balances		7,055,875	-	7,055,875
(iv) Other financial assets		972,887	-	972,887
Current Tax Assets (Net)		3,396,256	-	3,396,256
Other current assets		2,546,413	-	2,546,413
<b>Total current assets</b>		<b>138,246,762</b>	<b>(169,019)</b>	<b>138,077,743</b>
<b>Total assets</b>		<b>194,205,655</b>	<b>3,500,329</b>	<b>197,705,984</b>
<b>EQUITY AND LIABILITIES</b>				
Equity				
Equity share capital		4,837,800	-	4,837,800
Other equity		139,754,703	3,500,329	143,255,032
<b>Total equity</b>		<b>144,592,503</b>	<b>3,500,329</b>	<b>148,092,832</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings		6,789,503	-	6,789,503
(ii) Other financial liabilities		4,618,332	-	4,618,332
Provisions		1,039,998	-	1,039,998
<b>Total non-current liabilities</b>		<b>12,447,833</b>	<b>-</b>	<b>12,447,833</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings		11,557,211	-	11,557,211
(ii) Trade payables		11,366,936	-	11,366,936
(iii) Other financial liabilities		8,507,621	-	8,507,621
Other current liabilities		4,740,755	-	4,740,755
Provisions		992,796	-	992,796
<b>Total current liabilities</b>		<b>37,165,319</b>	<b>-</b>	<b>37,165,319</b>
<b>Total equity and liabilities</b>		<b>194,205,655</b>	<b>3,500,329</b>	<b>197,705,984</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

## Notes to the Financial Statements

## Note No. 42.

## Explanation of transition to Ind AS - Continued

## (iii) Reconciliation of total comprehensive Income for the year ended March 31, 2017:

(All amounts in Rs. unless stated otherwise)

Particulars	Note Reference	Amount as per Previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
<b>Revenue</b>				
Revenue from operations	5	246,479,675	31,240,129	274,947,054
Other income		1,449,300	-	1,449,300
<b>Total Income</b>		<b>247,928,975</b>	<b>31,240,129</b>	<b>276,396,354</b>
<b>Expenses</b>				
Cost of material consumed		130,795,569	-	130,795,569
Changes in inventories of finished goods, stock in trade and work-in-progress		3,631,665	-	3,631,665
Excise duty	5	-	31,240,129	31,240,129
Finance costs		1,054,718	-	1,054,718
Employee benefits expense	3	37,160,955	31,976	37,192,931
Depreciation and amortisation expense		10,635,972	-	10,635,972
Other expenses	6	55,740,896	(152,212)	52,815,934
<b>Total expenses</b>		<b>239,019,775</b>	<b>31,119,893</b>	<b>267,366,918</b>
<b>Profit before tax</b>		<b>8,909,200</b>	<b>120,236</b>	<b>9,029,436</b>
<b>Tax expense</b>				
Current tax expense		3,430,000	-	3,430,000
Deferred tax	4	(422,859)	39,753	(383,106)
Tax Adjustment (Excess)/Short provision of earlier years		75,614	-	75,614
<b>Profit for the year</b>		<b>5,826,445</b>	<b>80,483</b>	<b>5,906,928</b>
<b>Other comprehensive income</b>	7			
<b>Items that will not be reclassified the statement of profit and loss</b>				
Re-measurement of defined benefit obligation	3	-	31,976	31,976
Equity instruments through other comprehensive income	1	-	191,485	191,485
Change in fair value of FVOCI equity instruments				
Income tax relating to relating items that will not be reclassified to profit or loss	3,4	-	(10,572)	(10,572)
<b>Total other comprehensive income/ (expense) for the year, net of taxes</b>		<b>-</b>	<b>212,889</b>	<b>212,889</b>
<b>Total comprehensive income for the year</b>		<b>5,826,445</b>	<b>293,372</b>	<b>6,119,817</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**Note No. 42.****Explanation of transition to Ind AS - Continued****(iv) Reconciliation of total equity as at March 31, 2017 and April 1, 2016 :**

(All amounts in Rs. unless stated otherwise)

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
<b>Total equity (shareholder's funds) as per previous GAAP</b>		<b>144,592,503</b>	<b>138,766,056</b>
<b>Adjustments:</b>			
Fair valuation of investment in equity instruments classified as FVTOCI	1	3,613,465	3,421,980
Expected credit losses	6	(169,019)	(321,230)
Proposed dividend (including corporate dividend tax)	2	-	698,719
Deferred tax adjustment	4	55,883	106,209
<b>Total adjustments</b>		<b>3,500,329</b>	<b>3,905,678</b>
<b>Total equity as per Ind AS</b>		<b>148,092,832</b>	<b>142,671,734</b>

**(v) Reconciliation of total comprehensive income/ (expense) for the year ended March 31, 2017**

(All amounts in Rs. unless stated otherwise)

Particulars	Notes	As at March 31, 2017
Profit after tax as per previous GAAP		5,826,445
Expected credit losses	6	152,212
Reclassification of actuarial (gain)/loss arising in respect of defined benefit plan to other comprehensive income	3	(31,976)
Deferred tax impact of adjustment	4	(39,753)
<b>Total adjustments</b>		<b>80,483</b>
<b>Profit after tax as per Ind AS</b>		<b>5,906,928</b>
<b>Other comprehensive income</b>		<b>212,889</b>
<b>Total comprehensive income as per Ind AS</b>		<b>6,119,817</b>

**(vi) Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2016**

There were no material differences between the statement of cash flows presented under Ind AS and the Previous GAAP except due to various re-classification adjustments recorded under Ind AS and difference in the definition of cash and cash equivalents under these two GAAPs.



**Notes to the Financial Statements****Note No. 42.****Explanation of transition to Ind AS - Continued****C. Notes to the reconciliations:****1 Fair valuation of investments**

Under the previous GAAP, investments were classified as long-term investments based on intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value at initial and subsequent recognition at fair value. Fair value changes with respect to investments in equity instruments designated at FVOCI have been recognised in FVOCI as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2017. The resulting fair value changes of these investments amounting to Rs. 34,21,980 have been recognised in total equity as at the date of transition (i.e. April 1, 2016). The profit and total equity for the year ended March 31, 2017 has increased by Rs. 36,13,465 due to the fair value changes.

**2 Proposed dividend**

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and corporate dividend tax of Rs. 6,98,719 as at March 31, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

**3 Employee benefits: Remeasurement of post employment benefit plans**

Under Ind AS, remeasurements i.e. actuarial gains and losses on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. Under previous GAAP these were forming part of the statement of profit and loss for the year. As a result, profit for the year ended March 31, 2017 is decreased by Rs. 31,976 and is reclassified to other comprehensive income. There is no impact on the total equity as at March 31, 2017.

**4 Deferred tax**

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in reserve and surplus or a separate component of equity. On the date of transition (i.e April 1, 2016), the net impact on deferred tax assets is of Rs. 1,06,208 (March 31, 2017: Rs. 55,883). The profit and total equity for the year ended March 31, 2017 increased/ decreased by Rs. 55,883 due to differences in taxable profits and accounting profits.

**5 Revenue from operations**

Under previous GAAP, revenue from operations was disclosed net of excise duty on sales. Under Ind AS, revenue is shown gross of excise duty and the amount of excise duty is shown as expense in the statement of profit and loss. Consequent to this change the amount of revenue from operations for the year ended March 31, 2017 has increased by Rs. 3,12,40,129 and a separate line item for expense on account of excise duty amounting Rs. 3,12,40,129 is presented in the statement of profit and loss. There is no impact on the total equity as at March 31, 2017.

**6 Provision for expected credit loss on trade receivables**

The Company has made impairment for trade receivable as per simplified approach based on the life time expected credit loss model. The impact of Rs. 3,21,230 on the transition date is recognised in opening reserves and changes thereafter in Profit and Loss Account.

**7 Other comprehensive income**

Under previous GAAP, there was no requirement to disclose any item of statement of profit and loss in other comprehensive income. However as per requirement of Ind AS certain items of profit or loss are to be reclassified to other comprehensive income. Consequent to this, the Company has reclassified remeasurement of defined benefit plans from the statement of profit and loss to other comprehensive income.

**Note No. 43.****Events After Balance Sheet Date**

- a. Subsequent to the year end, the Company has sold 1,00,000 Equity Shares of Mohan Meakin Limited (MML) out of 2,01,751 shares held by it in MML. This being a non adjusting event, there is no impact on the these financial statement.
- b. The Board of Directors of the Company has recommended a dividend of Rs. 1.20 per share (nominal value of Rs.10/- each). The dividend, if declared at the ensuing Annual General Meeting will result in cash flow of Rs 6,98,719. (including dividend distribution tax).

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

**Satish Mohan**  
Managing Director  
(DIN 00230292)

**Air Vice Marshal A.D. Datt, A.V.S.M. (Retd)**  
Director  
(DIN 00230336)

**Ashutosh Doegar**  
Director  
(DIN 00256627)

**Usha Mohan**  
Director  
(DIN 00768935)

Place : New Delhi  
Date : May 30, 2018

**Satya Narayan Gupta**  
Director  
(DIN 00502035)

**Surendra Kumar Seth**  
Chief Finance Officer cum Company Secretary

**Form No. MGT – 11  
PROXY FORM**

Name of the Company : JOHN OAKLEY AND MOHAN LIMITED  
CIN : L15549DL1962PLC003726  
Registered Office : 508, Sethi Bhawan, Rajendra Place, New Delhi-110055  
E-mail:- oakeymohan@gmail.com  
Website:- www.oakeymohan.com  
Tel.: 0120-2557298, 4256815 Fax : 0120-2659155

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of the Company, to be held on Friday, the 28th day of September, 2018 at 04:00 PM at SK Kumar Banquet, Plot No.-12, Automobile Centre, Patparganj, Delhi-110092 and at any adjournment thereof in respect of such resolutions as are indicated below:

**JOHN OAKEY AND MOHAN LIMITED**

Resolution No	Particulars of Resolutions	Optional #	
		For	Against
ORDINARY BUSINESS			
1.	To adopt the audited financial results for the Year ended 31 <sup>st</sup> March, 2018.		
2.	To declare the Dividend		
3.	To appoint a Director in place of Shri Ashutosh Deogar who retires by rotation and being eligible offers himself for re-appointment.		
4.	To appoint M/s. Jagdish Chand & Co Chartered Accountants as Statutory Auditors of the company and fixing their remuneration.		

Signed this.....day of.....2018

Signature of Member : .....

Signature of Proxy holder(s) : .....

Affix  
Revenue  
Stamp

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. # This is only optional Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Shareholder opt for e-voting; he/she will not be eligible to vote physically in AGM.