



ANNUAL REPORT

2016 - 2017

Forward looking statement

The statement(s) made in this Annual Report describing the Company's objective, expectations and predictions may be forward looking statement within the meaning of applicable securities laws and regulations. These statements and expectations envisaged by the management are only estimates and actual results may differ from such expectations due to known and unknown risks, uncertainties and other factors including, but not limited to, changes in economic conditions, government policies, technology changes and exposure to market risks and other external and internal factors, which are beyond the control of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS :

Dinesh B. Patel	<i>Chairman</i>
Arun P. Patel	<i>Vice Chairman</i>
Ramnikbhai H. Ambani	
Ashwin Lalbhai Shah	
Dr. Narendra Kumar Bansal	
Indira J. Parikh	
Dr. Rajesh B. Parikh	
Dr. Lavkumar Kantilal Shah	
Rahul A. Patel	<i>Managing Director (Group)</i>
Amit D. Patel	<i>Managing Director (Group)</i>
S. B. Dangayach	<i>Managing Director (upto 06.06.2017)</i>

BANKERS :

Punjab National Bank
Bank of Baroda

AUDITORS :

M/s. Shah & Shah Associates
Chartered Accountants
Ahmedabad

REGISTRAR & SHARE TRANSFER AGENT :

Link Intime India Pvt. Ltd.
5th Floor, 506 to 508, Amarnath Business Center-1 (ABC-1),
Besides Gala Business Center, Opp. Wagh Bakri Tea Lounge,
Off C.G. Road, Ellisbridge, Ahmedabad – 380 006.

COMPANY SECRETARY & COMPLIANCE OFFICER:

Hitesh T. Mehta

REGISTERED OFFICE :

Kalol - 382721, Gujarat, India
Tel (91-2764) 253000
Fax : (91-2764) 222868
E-mail : bvm@sintex.co.in
Website: www.sintex.in
CIN - L17110GJ1931PLC000454

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STANDALONE FINANCIAL 5 YEARS HIGHLIGHTS

(₹ in Crores)

Description	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
A. BALANCE SHEET					
Total Assets:					
Fixed Assets (Net)	6255.00	6569.73	4258.95	2749.99	2231.78
Investments	16.19	339.89	1023.60	1029.24	966.55
Net Assets (Current and Non Current)	1856.18	3102.20	3344.92	3088.26	2968.41
	8127.37	10011.82	8627.47	6867.49	6166.74
Total Liabilities:					
Net Worth	3906.45	4924.34	4233.25	3042.13	2799.34
Loan Funds	4135.41	4881.86	3946.88	3513.93	3096.37
Deferred Tax Liability (Net)	85.51	205.62	447.34	311.43	271.03
	8127.37	10011.82	8627.47	6867.49	6166.74
B. STATEMENT OF PROFIT & LOSS					
Gross Sales	1430.45	4876.15	4086.80	3314.47	3064.85
Earning before interest, tax and depreciation	353.17	1109.54	1011.91	829.77	670.47
Finance Costs	89.75	210.96	228.53	237.38	144.49
Depreciation	132.22	183.35	144.84	138.33	123.18
Profit before Exceptional Items	131.20	715.23	638.54	454.06	402.80
Exceptional Items	0.00	0.00	21.79	16.06	90.35
Profit Before Tax	131.20	715.23	616.75	438.00	312.45
Taxation	3.72	165.28	159.23	102.94	43.26
Profit After Tax	127.48	549.95	457.52	335.06	269.19
Dividend (including Dividend Distribution tax)	37.62	36.53	37.25	25.64	25.48
Retained Earnings	89.86	513.42	420.27	309.42	243.71
Earnings per Equity Share (₹)	2.62	2.50	12.48	10.77	9.46
Debt/Equity Ratio	1.06	0.99	0.93	1.15	0.95
Dividend %	25%	70%	70%	70%	70%

Notes:

- Figures of the Statement of Profit and Loss for the year ended 31-3-2016 includes discontinued operations as per the Composite Scheme of Arrangement as mentioned in Note 37 of the Standalone Financial Statement.
- Figures of the year ended 31-3-2017 and 31-3-2016 are as per IND AS.

DIRECTORS REPORT

Dear Stakeholders,

Your Directors take immense pleasure in presenting the 86th Annual Report highlighting the business and operations of the Company on a standalone basis and the accounts for the financial year ended March 31, 2017.

Financial highlights

	(₹ In crore)	
Particulars	2016-17	2015-16
Gross turnover	1433.84	918.02
Gross profit	263.42	214.00
Less: Depreciation	132.22	72.53
Profit before tax	131.20	141.47
Less: Provision for taxation — current tax	26.89	6.32
Deferred tax	(23.17)	24.83
Profit/(loss) after tax from continuing operations	127.48	110.32
Profit from discontinued operations before tax	-	573.76
Tax expense of discontinued operations	-	134.13
Profit from discontinued operations (after tax)	-	439.63
Profit for the Year	127.48	549.95

Note: Previous year figures have been regrouped/re-classified, wherever required and the same are not comparable due to effect of the Demerger as per the Composite Scheme of Arrangement.

The Composite Scheme of Arrangement

A. Approval of the Composite Scheme of Arrangement

In order to lend greater/ enhanced focus to the operation of the Textile business and the Plastic business and to reorganize the Custom Moulding Undertaking and the Prefab Undertaking of the Company and to transfer the same to Sintex-BAPL Limited and Sintex Prefab and Infra Limited, respectively, which are wholly owned subsidiaries of Sintex Plastics Technology Limited, the Board of Directors of your Company at its Meeting held on 29th September, 2016 approved the Composite Scheme of Arrangement between the Company and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Prefab and

Infra Limited and their respective shareholders and creditors ('Scheme'), pursuant to the provisions of the Companies Act, 2013. In terms of the Order passed by the Hon'ble High Court of Gujarat at Ahmedabad, the Scheme was placed before the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Company and the same has been approved with requisite majority on 17th January, 2017. The Scheme has been sanctioned by the Hon'ble National Company Law Tribunal, Bench, at Ahmedabad vide its Order dated 23rd March, 2017. The Scheme, has become effective on 12th May, 2017 consequent upon receiving necessary statutory approvals.

B. Rationale and purpose of the Scheme

1. Streamlining Separate Business: Separating the "Custom Moulding Business" and "Prefab Business" into Sintex-BAPL Limited and Sintex Prefab and Infra Limited (Formerly known as 'Sintex Infra Projects Limited') respectively, which are the entities engaged in the same / similar line of business, will enable the respective companies to pursue different business strategies and raise resources for meeting their respective growth requirements. Each of the business has got tremendous growth & profitability and will require focused leadership and management attention.
2. Attracting Strategic Investors and capturing Shareholders value for Investment: The nature of risk and competition involved in the businesses carried out by Sintex Group is distinct and are capable of attracting different set of Investors like strategic partners, lenders, etc. thereby unlocking value of respective businesses and existing shareholders.
3. Focus on Core Business: It would enable the respective companies to focus on and enhance their core businesses by streamlining operations, cutting costs and ensuring more efficient management control. Further, it would enable respective management(s) to concentrate on core businesses and strengthen competencies and provide independent opportunities to increase scale of operations.
4. It would create enhanced value for shareholders and allow a focused strategy and specialization for sustained growth, which would be in the best interest of all the Stakeholders.

C. Key Highlights of the Scheme:

- The Demerger of the Custom Moulding Undertaking (which includes the Company's strategic investment in its wholly owned subsidiary, namely, Sintex Holdings B.V.) on a going concern basis, together with all its assets and liabilities) and the Prefab Undertaking of the Company and vesting of the same to Sintex-BAPL Limited and Sintex Prefab and Infra Limited, respectively;

- The appointed date of the Scheme, being the date on which the Undertakings shall vest in the respective resulting companies, has been fixed at 1 April 2016;
- Reduction of Capital Redemption Reserve Account and Securities Premium Account of the Company.

Financial performance

Your Company's gross sales jumped by ₹515.82 crore from ₹918.02 Crore in 2015-16 to ₹1433.84 crore in 2016-17 driven by robust growth in the Textile & Yarn Business.

EBIDTA of Textile & Yarn Business increased by 25.30% from ₹281.86 crore in 2015-16 to ₹353.17 crore in 2016-17 and the profit after tax for the year grew by 15.55% from ₹110.32 crore in 2015-16 to ₹127.48 crore in 2016-17. Consequently, the earnings per share (face value or ₹1) stood at ₹2.62 (basic) and ₹2.62 (diluted) for 2016-17 against ₹2.50 (basic) and ₹2.50 (diluted) for 2015-16.

Your Company repaid debts worth ₹60.06 crore. Besides, FCCBs worth US\$ 29.00 million (of the US\$ 110 million FCCB issue) were converted into Equity, which increased the Company's net worth by ₹191.61 crore, thus strengthening the financials of the Company.

Dividend

Your Directors are pleased to recommend dividend of ₹0.25 per share on equity shares having face value of Re.1 each (Previous year ₹0.70 per equity share on face value of Re.1 each). The dividend is recommended based upon the financial performance of textiles operations of the company.

The dividend will be paid to the eligible shareholders subject to the approval of members, whose names appear on the Register of Members of the Company at the forthcoming Annual General Meeting as on the specified date.

Increase in Share capital due to Rights Issue of Equity Shares and conversion of Foreign Currency Convertible Bonds

During the year under review, the Board of Directors of the Company at its Meeting held on 28th July, 2016 approved the issuance of equity shares of face value of ₹1/- each, for cash aggregating upto ₹500,00,00,000/-, on a rights basis to the Equity Shareholders at a price of ₹65/- per share (including premium of ₹64/- per Rights Equity Share), which was oversubscribed. The Committee of Directors- Rights Issue at its Meeting held on 26th September, 2016 has allotted 7,69,21,900 Rights Equity Shares of the face value of Re.1/- each at a price of ₹65/- per share (including premium of ₹64/- per Rights Equity Share) of the Company to the respective applicants.

Further, during the year under review, the Company has allotted in aggregate 2,12,23,333 equity shares of ₹1/- each at a premium of ₹91.16 each per equity share on exercise of conversion by the FCCB-holders and accordingly, the paid-up share capital of the Company on 31st March, 2017 stands increased to

₹54,46,95,954/- divided into 54,46,95,954 equity shares of ₹1/- each. As at 31st March, 2017, FCCBs worth US\$ 81.00 million (of the US\$ 110 million FCCB issue) were outstanding for conversion into equity shares.

Fixed deposits

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

State of Company's affairs

Sintex is globally-respected for the manufacture of structured fabrics addressing high-end fashion shirting manufacture. The Company's fibre-to-fabric facility (Kalol) is one of the largest weaving Unit in India; the Company operates one of the largest corduroy facility in India. It produces multiple varieties of blended high-end shirting fabrics marketed under the BVM brand.

To strengthen its presence in the Indian textile space, the Company is in the midst of setting up one of India's largest compact yarn facilities in India housing 1 mn. spindles -to be commissioned in a phased manner.

Textile Division

The business registered a topline of ₹1514 crores in FY2016-17 against ₹990 crores in FY2015-16 – a growth of 53 % owing to successful business strategies implemented by the team, which has increased product awareness and acceptability in India and across global markets.

In addition, the Company has strengthened its business by adding capabilities and capacities which promise to widen its opportunity canvass. In addition, it has deepened its market penetration in existing markets – institutional and retail and entered new markets. These initiatives should facilitate in sustaining business momentum over the coming years.

Yarn Division

The first phase comprising 3.06 lac spindles of the high-tech yarn facility at Pipavav, Gujarat commenced operations in the first half of FY 2016-17 with spinning quality compact yarn for weaving and knitting application and achieved a capacity utilization of about 98% by the close of the financial year. The Yarn Division reported a gross revenue of ₹646.46 crore in the first year of commercial operations.

Performance of subsidiary – BVM Overseas Limited

Sintex enjoys a strong presence in compact yarn space in India and the international market its wholly-owned subsidiary BVM Overseas Limited.

Having commenced trading of quality yarns for weaving and knitting in India and global markets in 2015-16, the Company has made considerable progress. It achieved a gross turnover of ₹511.59 crores with EBIDTA of ₹13.92 crores in its first full financial year FY17 as against ₹25.90 crore turnover of FY16. Of the total turnover, about 79% accrued from exports while the balance was earned from its marketing efforts in India. Going forward, as the Company establishes a firm footing in the domestic and international markets, the management plans to expand its product basket by including value-added products namely fabrics and sheeting.

Changes in subsidiaries, associates and joint ventures/ wholly-owned subsidiaries:

During the year under review, Sintex-BAPL Limited ceased to be subsidiary of the Company by way of divestment of shareholding to Sintex Plastics Technology Limited.

Further, during the year under review, Sintex Prefab and Infra Limited (formerly known as "Sintex Infra Projects Limited") ceased to be subsidiary of the Company on account of divestment of shareholding by BVM Overseas Limited, the Wholly Owned Subsidiary to Sintex Plastics Technology Limited.

Sintex Plastics Technology Limited also ceased to be a Subsidiary of the Company due to cancellation of shares held by the Company, on the Composite Scheme of Arrangement becoming effective on 12th May, 2017.

Consequent upon restructuring, the Company has only one Subsidiary Company i.e. BVM Overseas Limited.

Corporate Social Responsibility initiatives

As part of its initiatives under Corporate Social Responsibility, the Company has undertaken projects in the areas of education, livelihood, sports, health, water and sanitation. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as 'Annexure - A'.

Internal Financial Control (IFC) systems and their adequacy

As per the provisions of the Companies Act, 2013, the Directors have the responsibility for ensuring that the Company has implemented robust system / framework for IFCs to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls, to enable the Directors to meet with their responsibility.

The Company has in place, a sound financial control system and framework in place to ensure:

- The orderly and efficient conduct of its business,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records and

- The timely preparation of reliable financial information.

A formal documented IFC framework has been implemented by the Company. The Board regularly reviews the effectiveness of controls and takes necessary corrective actions where weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology environment. Based on this evaluation, there is nothing that has come to the attention of the Directors to indicate any material break down in the functioning of these controls, procedures or systems during the year. There have been no significant events during the year that have materially affected, or are reasonably likely to materially affect, our internal financial controls. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

Indian Accounting Standards (IND AS) – IFRS Converged Standards

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), your Company is required to prepare financial statements under Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April 2016. The Ind-AS has replaced the existing Indian GAAP and accordingly the Company has adopted Ind-AS with effect from 1st April 2016 with the transition date of 1st April 2015 and the financial Statements for the year ended 31st March 2017 has been prepared in accordance with Ind-AS. The financial statements for the year ended 31st March 2016 have been restated to comply with Ind-AS to make them comparable. The effect of the transition from IGAAP to Ind-AS has been explained by way of a reconciliation in the Standalone Financial Statements and Consolidated Financial Statements.

Auditors and Auditors' Report

M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad (FRN 113742W), Statutory Auditors of the Company were appointed as Statutory Auditors of the Company for a period of five years at the 83rd Annual General Meeting of the Company held on 1st August, 2014 till the conclusion of 88th Annual General Meeting of the Company pursuant to provisions of Section 139(1) of the Companies Act, 2013. Their appointment is subject to ratification by the Members at the Annual General Meeting of the Company.

Your Directors recommend the ratification of their appointment as Statutory Auditors of the Company for the financial year 2017-18 and request you to fix their remuneration.

Pursuant to Regulation 33(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they have valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The

Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Cost Auditor

Pursuant to Section 148(3) of the Companies Act, 2013, M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad have been appointed as the Cost Auditors of the Company for financial year 2016-17 by the Board of Directors and their remuneration has been ratified by members at the 85th Annual General Meeting of the Company. The Board of Directors of the Company at its Meeting held on 31st July, 2017 appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as the Cost Auditors of the Company for financial year 2017-18 and their remuneration is subject to approval of Members at the ensuing 86th Annual General Meeting of the Company.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the F.Y. 2016-17 is annexed herewith as 'Annexure - B'. There were no qualifications, reservation or adverse remarks in the Secretarial Audit Report.

Directors and Key Managerial Personnel

Mr. Amit D. Patel, Managing Director (Group) is due to retire by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and is eligible for reappointment. The Board recommends the reappointment of Mr. Amit D. Patel as the Director of the Company.

Mr. S. B. Dangayach has expressed his desire for not renewing his term as Managing Director of the Company, due for completion on 6th June, 2017. With a view to facilitate the restructuring post Demerger, he has also resigned as a Director of the Company and accordingly, ceased to be a Director w.e.f. 6th June, 2017. The Board places on record its appreciation for the services rendered by him as Director as well as Managing Director of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As stipulated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief profiles of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and shareholding are provided in the Notice attached forming part of the Annual Report.

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Appointment of New Independent Directors

All Independent Directors are completing their first term at the 86th Annual General Meeting of the Company. The Board of Directors has decided that Mr. Ramnikbhai H. Ambani, Dr. Rajesh B. Parikh, Dr. Lavkumar Kantilal Shah, Dr. Narendra K. Bansal and Mrs. Indira J. Parikh, the Independent Directors be given the second term upto 89th Annual General Meeting of the Company.

Mr. Ashwin Lalbhai Shah, the Independent Director has requested the Board not to consider him for re-appointment and relieve him from the office of the Director after the expiry of his present term due to health issues. The Board also placed on record its appreciation for his contribution.

Insurance

The Company's plant, property, equipments and stocks are adequately insured against major risks. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the probable liabilities arising on them, if any.

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on its applicability, the Board has carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013 that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) the systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Meetings of Board of Directors

Regular Meetings of the Board are held to discuss and decide on various business strategies, policies and other issues. During the year, seven meetings of the Board of Directors were convened and held on 7th May, 2016, 19th May, 2016, 30th May, 2016, 28th July, 2016, 29th September, 2016, 12th November, 2016 and 20th January, 2017. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Detailed information on the Meetings of the Board is included in the Corporate Governance Report, which forms part of the Annual Report.

Committees of the Board of Directors

In compliance with the requirement of applicable laws and as part of the best governance practice, the Company has following Committees of the Board as on 31st March, 2017:

- i. Audit Committee
- ii. Stakeholders Relationship Committee
- iii. Nomination and Remuneration Committee
- iv. Corporate Social Responsibility Committee
- v. Share and Debenture Transfer Committee

Independent Directors' Meeting

The Independent Directors met on 20th January, 2017, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

Consolidated financial statements

The Board reviewed the affairs of the Company's Subsidiary during the year at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company and its subsidiary, which form part of this Annual Report. The consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company and its subsidiary, as approved by its Board of Directors. Further a statement containing salient features of the Financial Statements of the subsidiary in Form AOC-1 forms part of the Consolidated Financial Statements. The statement also provides the details of performance and financial position of the subsidiary.

Policies

• Remuneration policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of the Directors, the senior management and their remuneration. The remuneration policy is stated in the Corporate Governance Report.

• Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

In pursuance to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per Regulation 8 set out in Schedule A to said regulations, in order to protect investors' interest.

• Whistle blower policy

The Company has adopted a Whistle Blower Policy through which the Company encourages its employees to bring to the attention of Senior Management, including Audit Committee, any unethical behaviour and improper practices and wrongful conduct taking place in the Company. The details of the same is explained in the Corporate Governance Report and also posted on the website of the Company at the link http://sintex.in.cp-50.webhostbox.net/wp-content/uploads/2016/07/Whistle_blower_policy.pdf

• Code of Conduct to Regulate, Monitor and Report Trading by Insiders

In pursuance to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company adopted the Code of Conduct to regulate, monitor and report trading by the employees, insiders and connected person(s), in order to protect investors' interest as approved by the Board in its meeting held on 7th May, 2015.

In pursuance to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

the Company adopted Policy on Determination of Materiality of Events, Policy on Preservation of Documents, Website Content Archival Policy and Risk Management Policy in its meeting held on 15th October, 2015. The details of the said policies are forming part of the Corporate Governance Report.

Particulars of loans given, investments made, guarantees given and securities provided

Particulars of loans given, investments made, guarantees given and securities provided under section 186 of the Companies Act, 2013 are provided in the standalone financial statements (Please refer to Note 7, 8, 12, 16 and 51 to the standalone financial statements), which are proposed to be utilized for the general business purpose of the recipient.

Contracts and arrangements with related parties

All Related Party transactions that were entered into during the financial year under review were in ordinary course of business and were on arm's length basis. There are no materially significant related party transactions made by the Company, which may have potential conflict of interest.

Further, there were no material related party transactions which are not in ordinary course of business and are not on arm's length basis and hence there are no information required to be provided under Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC-2 and under Section 188(2) of the Companies Act, 2013.

Corporate Governance

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. The Company can comply with all the Standards, Guidelines and Principles governing disclosures and obligations set out by the Securities and Exchange Board of India (SEBI) and the Stock Exchanges on corporate governance.

A separate Report on Corporate Governance along with Practising Company Secretary's Certificate on compliance with the conditions of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is provided as a part of this Annual Report, besides the Management discussion and analysis report.

Your Company has made all information, required by investors, available on the Company's website www.sintex.in

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as 'Annexure - C'.

Extract of the annual return

As required under the provisions of sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of annual return in Form No. MGT-9 forms part of this report as 'Annexure - D'.

Business Responsibility Report

The Business Responsibility Report for the year ended 31st March, 2017 as stipulated under Regulation 34 of the SEBI Listing Regulations is annexed which forms part of this report as 'Annexure - E'.

Particulars of employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, forms part of this report as 'Annexure F'. Having regard to the provisions of the first proviso to Section 136(1) of the Act, this Annual Report is being sent to all the members and others entitled thereto, excluding the said annexure. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid annexure is also available for inspection by members at the Registered Office of the Company, 21 days before the 86th Annual General Meeting and up to the date of Annual General Meeting during business hours on working days.

Significant and Material Orders impacting going concern basis passed by the regulators or courts or tribunals

No significant or material orders impacting going concern basis were passed by the regulators or courts or tribunals, which impact the going concern status and Company's operations in future.

Risk Management

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. During the year, the Board of Directors has reviewed the risks associated with the business of the Company, its root causes

and the efficacy of the measures taken to mitigate the same. There are no risks which in the opinion of the Board threaten the existence of the Company.

Audit Committee

The Committee consists of Members viz. Mr. Ashwin Lalbhai Shah (Chairman), Dr. Rajesh B. Parikh, Mr. Amit D. Patel and Mrs. Indira J. Parikh. There are no instances, where recommendations of Audit Committee are not accepted by the Board of Directors.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgements

Your Directors are highly grateful for all the guidance, support and assistance received from the Government, Financial Institutions and Banks. Your Directors thank all shareholders, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company. Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

On behalf of the Board,

Date: July 31, 2017

Place: Ahmedabad

Dinesh B Patel

Chairman

(DIN : 00171089)

Annexure “A” To Directors’ Report

Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Corporate Social Responsibility (CSR) is the contribution from the Corporate towards Social and Economic development of Society. CSR integrates Organization, Society and Planet. CSR policy should ensure activities which may include sustainable development by skill enhancement, sustainable environment, promotion to gender equality, prevention of health care and sanitation, care for senior citizens and differently able persons, etc.

Company will undertake projects/activities under Corporate Social Responsibility as specified in Schedule VII of the Companies Act, 2013.

The CSR policy of the Company is stated in http://sintex.in.cp-50.webhostbox.net/wp-content/uploads/2016/07/SIL_CSR_policy.pdf

2. Composition of the CSR Committee:

Mr. Ashwin Lalbhai Shah, Chairman – Independent Director

Mr. Rahul A. Patel, Member – Managing Director (Group)

Mr. Amit D. Patel, Member – Managing Director (Group)

3. Average net profit of the company for last three financial years

Average net profit: ₹605.29 Crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The Company is required to spend ₹12.11 Crores towards CSR.

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year: ₹9.40 Crores

(b) Amount unspent, if any: ₹2.71 Crores

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakh)

CSR Project or Activities	Sector	Location of the project/ program	Amount outlay (Budget)	Amount spent on the project/ program	Cumulative expenditure upto the reporting period	Amount spent direct/ implementing agency
Training to promote nationally recognized sports	Sports	Ahmedabad	12.00	12.00	12.00	Through Shraddha Social Welfare and Charitable Trust
Swachh Bharat & Livelihood Enhancement	Public utility		2.00	1.44	13.44	Through Shraddha Social Welfare and Charitable Trust
Promotion and development of Traditional arts and culture	Arts and culture	Ahmedabad	5.00	5.00	18.44	Through Shraddha Social Welfare and Charitable Trust
Promoting healthcare & preventive healthcare	Healthcare	Ahmedabad	1000.00	909.00	927.44	Direct

(₹ in Lakh)

CSR Project or Activities	Sector	Location of the project/ program	Amount outlay (Budget)	Amount spent on the project/ program	Cumulative expenditure upto the reporting period	Amount spent direct/ implementing agency
Promoting education including special education for benefits of students, employment enhancing vocation skills	Education	Rajkot and Delhi	7.00	7.00	934.44	Through Shraddha Social Welfare and Charitable Trust
Eradicating hunger, poverty and malnutrition	Public Welfare	Kalol	5.00	4.75	939.19	Through Shraddha Social Welfare and Charitable Trust
Promoting healthcare & preventive healthcare	Healthcare	Ahmedabad	1.50	1.25	940.44	Through Shraddha Social Welfare and Charitable Trust

6. Reasons for not spending the prescribed CSR expenditure:

The Company was required to spend ₹12.11 Crore during the year 2016-17. However, during the year under review, the Company could spend ₹9.40 Crores. The shortfall of ₹2.71 Crores could not be spent, as the Company thrived to align spending through various proposals/projects, so as to reach the ultimate benefactor of service. The Company going forward is committed to incur expenditure for CSR initiatives in the coming years through structured events or programs. The Company is in the process of understanding ground realities to scale up the same, at a later stage. The main thrust of the Company is in the areas like Sanitation, Drinking water and Public utility facilities.

- The CSR Committee, hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Date: July 31, 2017

Place: Ahmedabad

Ashwinbhai L. Shah
Chairperson, CSR Committee
Amit D. Patel
Managing Director (Group)

Annexure “B” to Directors’ Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2017

*[Pursuant to section 204(1) of the Companies Act, 2013 and
rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Sintex Industries Limited,
KALOL – 382 721 (Gujarat)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sintex Industries Limited (CIN: L17110GJ1931PLC000454) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, having its Registered Office at “Kalol – 382 721 (Gujarat) for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the Audit Period)
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)
- (vi) The Company has complied with the following specifically other applicable laws to the Company:
 - (a) Indian Boilers Act, 1923.
 - (b) Static and Mobile Pressure Vessels Rules, 1999.
 - (c) Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.

- (d) Hazardous Wastes (Management and Handling) Rules, 1989.
- (e) The Water (Prevention and Control of Pollution) Act, 1974
- (f) The Water (Prevention and Control of Pollution) Cess Act, 1977.
- (g) Air (Prevention and Control of Pollution) Act, 1981.

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

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.

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

We further report that during the audit period, the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

During the year under review:

1. The Company has entered into a Composite Scheme of Arrangement with Sintex Plastics Technology Limited, Sintex-BAPL Limited, Sintex Prefab and Infra Limited and their respective Shareholders and Creditors to transfer Custom Moulding Undertaking and Prefab Undertaking of the Company to Sintex-BAPL Limited and Sintex Prefab and Infra Limited respectively, having appointed date as 1st April, 2016. The Scheme had been approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench on 23rd March, 2017 and the effective date of the Scheme was fixed as 12th May, 2017. Accordingly, all the assets and liabilities of Custom Moulding business [including strategic investment in Sintex Holding BV (WOS)] and prefab business have been transferred and vested in respective companies.
2. The Company has issued USD 110 million Step Down Convertible Bonds due 2022.
3. During the Audit period, the Company has issued 2,12,23,333 Equity Shares of ₹1/- each on conversion of FCCB to FCCBs holders.
4. The Company has transferred/ sold the following investments:
 - (i) Sintex Holdings BV : 1,61,76,776 Shares having book value of ₹129.68 crores as per the Scheme.
 - (ii) Sintex- BAPL Limited: 1,60,32,000 Equity shares of ₹10/- each having acquisition cost of ₹149.23 crores and 50,00,000 5% cumulative redeemable preference shares of ₹100/- each having acquisition cost of ₹50 crores for a consideration of ₹200/- crores.

For, **M. C. Gupta & Co,**
Company Secretaries
UCN: S1986GJ003400

Mahesh C Gupta
Proprietor

FCS: 2047 (CP: 1028)

Place: Ahmedabad

Date: July 31, 2017

Note: This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

Annexure: "A"

To,
The Members,
Sintex Industries Limited,
KALOL – 382 721 (Gujarat)

Our Report of even date is to be read along with this Letter;

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, **M. C. Gupta & Co,**
Company Secretaries
UCN: S1986GJ003400

Mahesh C Gupta
Proprietor

FCS: 2047 (CP: 1028)

Place: Ahmedabad

Date: July 31, 2017

Annexure “C” to Directors’ Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2017 is given here below and forms part of the Directors’ Report.

(A) CONSERVATION OF ENERGY –

1) The steps taken or impact on conservation of energy

In line with the Company’s commitment towards conservation of energy, all divisions continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the Company in this direction are as under:

Textile Division :

- In loom shed, replacement made under deck conventional tube light with LED tube light.
- Installed high bay LED light fitting in chain mercerize shed in place of conventional HPMV lamp.
- Installed Smart Sense instrument at 66 KV to monitor online electrical parameters of Power, Current, Amps, KWh, KVA etc. It will benefit us in planning power purchase from exchange.
- Started 3 nos. rotary air filters in H & V plant with differential pressure transmitter. This will reduce number of fan working in H & V Plant.
- Installed chain merceriser with higher productivity, thus improvement in productivity and less utility consumption. Also product quality will be better.
- Two nos. 15 HP VFD installed in weaving H & V plant.
- One inspection machine with conventional dimmer-state drive converted in to Thyristor control.
- Installation of One inspection machine with DC drive converted in to AC VF Drive.
- Two 100 & 60 Kgs. yarn dyeing machines were equipped with VFD in place of DOL starter.
- Compressed air for cleaning is supplied at lower pressure with PRV.
- Two 20 HP transfer pump of CETP has been equipped with VFD in place of DOL starter.
- Installed VFD on 6 Nos blower fan of Harish stenter machine.
- Replaced DC motor of Dhall sanforise with AC motor and VFD.

Yarn Division :

- Installation of Bus Bar Trunking system to feed power to Ring Frame and Link coner machines in Unit 1, 2 & 3 instead of using cables. This has reduced the losses substantially.
- Installation of screw compressors with VFD arrangement. The VFD enables compressor to run as per requirement hence the losses are avoided.

2) The steps taken by the company for utilizing alternate sources of energy;

Textile Division :

- Increased utilization of Natural gas and reduced consumption of Furnace oil.
- Installed turbo ventilators in production area to improve working condition.
- Installed poly carbonate sheets in roofs to get benefit of day light.

Yarn Division :

- The Company is in process of installing 4.5 MW roof top solar power generation system.

3) The capital investment on energy conservation equipments : ₹8.51 Crores.

(B) TECHNOLOGY ABSORPTION –

i) Major efforts made towards technology absorption

Following efforts are made to improve cost effective technology for productive and quality improvement.

Textile Division :

The Company has installed following spinning and weaving machineries having latest micro processor based state of the art technology by replacing its old machineries.

- Installed chain mercerise with caustic chilling equipment for better product quality in yarn dyed fabric.
- Installed CCTV camera in production area to get better control and monitoring of production activity. Results in better productivity.

Yarn Division :

- The company has installed latest spinning machineries in all of the spinning units, with maximum possible automation & technical features.
- The material transportation from roving frame to Ring spinning & then from Ring to Winding process is fully automatic.

- Each spinning Unit is equipped with ultra-modern quality control facilities, online quality and production & humidification control systems.
- The company has got certifications for producing Organic, BCI yarns, Oekotex certified & is in process for various international level brand certifications.
- Highly skilled & qualified technical staff has been hired from all parts of the country from reputed organizations for the maximum utilization of latest technology.
- The Quality Management system, SOP for all operational activities as well as Operator training adopted by the company are the world best.
- The company has hired International level Management consultancy even for the operator training with a vision of making the company as a world class organization.
- Automation in the packing area is under process.
- For efficient use of power, all electrical equipment, motors are with VFD drives, lighting is 100% LED.
- The company has invested heavily in the machinery maintenance equipment for maintaining the quality.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Textile Division:

- In the textile division, quality production is achieved by savings a considerable amount of utility.
- The above mentioned measures resulted in energy savings and a subsequent reduction in production cost while product quality gets better.

Yarn Division :

- There is minimum touch to the material during different stages of the process, which have become possible due to automation & it has resulted in quality improvement. In case there is manual intervention, quality variation is much higher.
- Due to better quality, the products manufactured at M/s Sintex Industries-Yarn division have been much appreciated in domestic as well as International markets, within short time span of starting the operational activities & the Company has achieved status of preferred supplier of many leading Domestic & International Customers.
- The various cost elements starting from procurement of Raw material, packing material & various consumable items like card clothing, Rings, belts, bearings, spindle tapes, ring travelers etc. are monitored very closely by the team to minimize the operational cost.
- Due to installation of high end technology, unnecessary machine stoppages due to labor shortage can be avoided resulting in higher machine productivity.

- Due to better technology & hence working of the machines, higher work load can be assigned per operator resulting in better labor productivity.
- There are continues efforts by the team to minimize the waste at each stage of the process by taking advantage of latest technology, maximum capacity utilization, productivity without compromising on quality.
- For further cost reduction focused efforts will be done to develop cost competitive local vendors as import substitutes for various consumable items.
- Due to automation & plant sizes the company is taking advantage of economy of scale & will be able to produce with minimum overheads on completion of the project.
- Further technical retrofit attachments are in the pipeline for adding many new value added products, which will have the potential to fetch better profit margins in comparison to commodity segment.

iii) Information regarding imported technology (imported during the last three years)-

(a) the details of technology imported;

- Spinning Machinery Blow room, Cards, Combing preparation, Draw frames.
- Humidification systems.
- Link coners.
- Lab equipments, HVI-1000, UT5, UT6, AFIS, UTR4, UTJ, HL400, CMT-5, online quality monitoring system UQC-3, contamination sorters Vision shield.
- Roving transport system & overhead cleaners.
- Cots buffing machine BERKOL.
- Roving frames.

(b) the year of import; 2015 - 2017

(c) whether the technology been fully absorbed;

- Average 95% now & will be absorbed 100% by end of this year.

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

Not Applicable

iv) Expenditure incurred on Research and Development. :

The Company has incurred an expenditure of ₹9.06 Crores towards Research and Development by way of procurement of High Technology QC Lab Equipment in all Units.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Crore)

Description	2016-17	2015-16
Foreign Exchange Earned in terms of		
Actual Inflows	38.02	63.24
Foreign Exchange Used in terms of		
Actual outflows	396.99	314.37

Annexure – “D” To Directors’ Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN:-	L17110GJ1931PLC000454
ii) Registration Date:	01/06/1931
iii) Name of the Company:	Sintex Industries Limited
iv) Category / Sub-Category of the Company:	Public Company/Limited by shares
v) Address of the Registered office and contact details:	Kalol 382721,Gujarat, India Tel: +91-2764-253000 Fax: +91-2764-222868
vi) Whether listed company Yes / No :	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :	Link Intime India Pvt. Ltd 5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006.. Tel : 079 - 2646 5179 Email : ahmedabad@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service*	% to total turnover of the company#
1	Spinning, weaving and finishing of textiles	131	100.00

* As per National Industrial Classification- Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	BVM Overseas Limited	119, Kalasagar Shopping HUB, First Floor, Opp. Saibaba Temple, Sattadhar, Ahmedabad - 380061	U51900GJ2015PLC084582	Subsidiary	100.00	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

CATEGORY OF SHAREHOLDER	No. of the shares held at the beginning of the year 01/04/2016				No. of shares held at the end of the year 31/03/2017				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS									
(1) INDIAN									
a) Individual/HUF	2869830	0	2869830	0.64	3004149	0	3004149	0.55	-0.09
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	142065933	0	142065933	31.81	166976978	0	166976978	30.66	-1.16
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other..	0	0	0	0.00	0	0	0	0.00	0.00
SUB-TOTAL A(1)	144935763	0	144935763	32.46	169981127	0	169981127	31.21	-1.25
(2) FOREIGN				0.00					
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other.	0	0	0	0.00	0	0	0	0.00	0.00
SUB-TOTAL A(2)	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL	144935763	0	144935763	32.46	169981127	0	169981127	31.21	-1.25
SHAREHOLDING OF PROMOTER(A)=A(1)+A(2)									
B. PUBLIC									
SHAREHOLDING									
1. INSTITUTIONS									
a) Mutual Funds	7400880	2000	7402880	1.66	30622129	2000	30624129	5.62	3.96
b) Banks/FI	2216179	11900	2228079	0.50	6228737	11900	6240637	1.15	0.65
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	50000	0	50000	0.01	0	0	0	0.00	-0.01
g) FIs	156400895	0	156400895	35.02	142613595	17564138	160177733	29.41	-5.62
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
SUB-TOTAL B (1)	166067954	13900	166081854	37.19	179464461	17578038	197042499	36.17	-1.02
		0		0.00		0		0.00	0.00
2 NON-INSTITUTIONS		0		0.00		0		0.00	0.00
a) Bodies Corporate		0		0.00		0		0.00	0.00
i) Indian	22104272	65300	22169572	4.96	28976623	700	28977323	5.32	0.36
ii) Overseas	0	0	0	0.00	209001	0	209001	0.04	0.04
b) Individuals						0			

CATEGORY OF SHAREHOLDER	No. of the shares held at the beginning of the year 01/04/2016				No. of shares held at the end of the year 31/03/2017				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
i) Individual shareholders holding nominal share capital upto ₹2 lakh	92026825	3005415	95032240	21.28	122164242	3085812	125250054	22.99	1.71
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	11451500	0	11451500	2.56	10345037	0	10345037	1.90	-0.67
c) Others									
(c-i) Trust	39070	0	39070	0.01	113761	0	113761	0.02	0.01
(c-ii) NRIs	4981006	7110	4988116	1.12	5856202	7110	5863312	1.08	-0.04
(c-iii) Foreign National	0	0	0	0.00	21600	0	21600	0.00	0.00
(c-iv) Clearing Members	1832506	0	1832506	0.41	6865670	0	6865670	1.26	0.85
(c-v) Associated Person	0	0	0	0.00	1500	1530	3030	0.00	0.00
(c-vi) Directors/Relatives	0	20100	20100	0.00	100	23440	23540	0.00	0.00
SUB-TOTAL B(2)	132435179	3097925	135533104	30.35	174553736	3118592	177672328	32.62	2.27
TOTAL PUBLIC SHAREHOLDING (B)=B(1)+B(2)	298503133	3111825	301614958	67.54	354018197	20696630	374714827	68.79	1.25
C. SHARES HELD BY CUSTODIANS FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0.00
GRAND TOTAL (A+B+C)	443438896	3111825	446550721	100.00	523999324	20696630	544695954	100.00	0.00

Note : The FCCB Committee has allotted 2,12,23,333 Equity Shares of ₹1/- each on conversion of US \$ 2,90,00,000 aggregate principal amount of FCCB Bonds into Equity Shares till 31st March, 2017. Accordingly, the number of Equity shares underlying outstanding FCCBs are 5,92,78,978 of ₹1/- each.

ii) Shareholding of Promoters and Promoters' Group

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2016			Shareholding at the end of the year 31-03-2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pranay Arunprasad Patel	758830	0.17	0.00	758830	0.14	0.00	-0.03
2	Rahulbhai Patel	497090	0.11	0.00	497090	0.09	0.00	-0.02
3	Amit Patel	339900	0.08	0.00	398425	0.07	0.00	-0.01
4	Deval Rahul Patel	262500	0.06	0.00	262500	0.05	0.00	-0.01
5	Leena Arunprasad Patel	177970	0.04	0.00	177970	0.03	0.00	-0.01
6	Arunprasad Purshottamdas Patel	327710	0.07	0.00	327710	0.06	0.00	-0.01
7	Dineshchandra Patel	247860	0.06	0.00	290536	0.05	0.00	-0.01
8	Kalavati Patel	192350	0.04	0.00	225468	0.04	0.00	0.00

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2016			Shareholding at the end of the year 31-03-2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
9	Poonam Pranay Patel	65620	0.01	0.00	65620	0.01	0.00	0.00
10	BVM Finance Private Limited	78103905	17.49	85.06	78103905	14.34	87.58	-3.15
11	Opel Securities Private Limited	30223452	6.77	13.83	30223452	5.55	41.36	-1.22
12	Kolon Investment Pvt. Ltd.	30222046	6.77	13.84	55877110	10.26	22.37	3.49
13	Denis Trades and Investments Pvt. Ltd.	958300	0.21	0.00	0	0.00	0.00	-0.21
14	Denis Holdings Private Limited	774550	0.17	0.00	0	0.00	0.00	-0.17
15	Star Line Leasing Ltd.	724390	0.16	0.00	1713221	0.31	0.00	0.15
16	Bar Magnet Investment Private Limited	397690	0.09	0.00	0	0.00	0.00	-0.09
17	Mas Chemical Industries Pvt. Ltd.	393750	0.09	0.00	0	0.00	0.00	-0.09
18	Som Shiva (Impex) Limited	262500	0.06	0.00	262500	0.05	0.00	-0.01
19	Prominent Plastics Limited	5350	0.00	0.00	796790	0.15	0.00	0.15
Total		144935763	32.46		169981127	31.21		

(iii) Change in Promoters and Promoters' Group Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the company				No. of shares	% of total shares of the company
	At the beginning of the year	144935763	32.46	26-09-2016	25045364	Allotment on Rights Issue	169981127	31.21
	At the end of the year	169981127	31.21	31-03-2017			169981127	31.21

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name	Shareholding at the beginning of the year -01/04/2016		Transactions during the year		Reason	Cumulative Shareholding at the end of the year -31/03/2017	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company	Date of Transaction	Increase/ Decrease in share-holding		NO OF SHARES HELD	% of total shares of the Company
1	BARCLAYS MERCHANT BANK (SINGAPORE) LTD.	13961290	2.56				13961290	2.56
				08 Jul 2016	280000	Transfer	14241290	2.61
				15 Jul 2016	959000	Transfer	15200290	2.79
				29 Jul 2016	294000	Transfer	15494290	2.84
				05 Aug 2016	91000	Transfer	15585290	2.86
				19 Aug 2016	35625	Transfer	15620915	2.87
				02 Sep 2016	256500	Transfer	15877415	2.91
				09 Sep 2016	(729750)	Transfer	15147665	2.78
				16 Sep 2016	(1203930)	Transfer	13943735	2.56
				30 Sep 2016	3473103	Transfer	17416838	3.20
				07 Oct 2016	(853669)	Transfer	16563169	3.04
				14 Oct 2016	(28500)	Transfer	16534669	3.04
				11 Nov 2016	(235125)	Transfer	16299544	2.99
				18 Nov 2016	(142500)	Transfer	16157044	2.97
				25 Nov 2016	(42750)	Transfer	16114294	2.96
				27 Jan 2017	(7125)	Transfer	16107169	2.96
				24 Mar 2017	28500	Transfer	16135669	2.96
	AT THE END OF THE YEAR			31 Mar 2017			16135669	2.96
2	EAST BRIDGE CAPITAL MASTER FUND LIMITED	2034216	0.37				2034216	0.37
				10 Jun 2016	621391	Transfer	2655607	0.49
				02 Sep 2016	1448052	Transfer	4103659	0.75
				30 Sep 2016	1941392	Transfer	6045051	1.11
				07 Oct 2016	837623	Transfer	6882674	1.26
				14 Oct 2016	5200000	Transfer	12082674	2.22
				02 Dec 2016	1076610	Transfer	13159284	2.42
				17 Mar 2017	194500	Transfer	13353784	2.45
				24 Mar 2017	1158000	Transfer	14511784	2.66
				31 Mar 2017	165971	Transfer	14677755	2.69
	AT THE END OF THE YEAR			31 Mar 2017			14677755	2.69

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name	Shareholding at the beginning of the year -01/04/2016		Transactions during the year		Reason	Cumulative Shareholding at the end of the year -31/03/2017	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company	Date of Transaction	Increase/ Decrease in share-holding		NO OF SHARES HELD	% of total shares of the Company
3	CAUSEWAY EMERGING MARKETS FUND	7144185	1.31				7144185	1.31
				10 Jun 2016	205362	Transfer	7349547	1.35
				22 Jul 2016	389526	Transfer	7739073	1.42
				30 Sep 2016	(150912)	Transfer	7588161	1.39
				24 Mar 2017	1095173	Transfer	8683334	1.59
	AT THE END OF THE YEAR			31 Mar 2017			8683334	1.59
4	DIMENSIONAL EMERGING MARKETS VALUE FUND	7654120	1.41				7654120	1.41
				08 Jul 2016	(507732)	Transfer	7146388	1.31
				15 Jul 2016	(97224)	Transfer	7049164	1.29
				30 Sep 2016	1213763	Transfer	8262927	1.52
				04 Nov 2016	(340718)	Transfer	7922209	1.45
				11 Nov 2016	(75263)	Transfer	7846946	1.44
	AT THE END OF THE YEAR			31 Mar 2017			7846946	1.44
5	GOVERNMENT PENSION FUND GLOBAL	9750584	1.79				9750584	1.79
				17 Jun 2016	(438645)	Transfer	9311939	1.71
				24 Jun 2016	(2373340)	Transfer	6938599	1.27
				30 Jun 2016	(1976741)	Transfer	4961858	0.91
				01 Jul 2016	(530616)	Transfer	4431242	0.81
				08 Jul 2016	(1834331)	Transfer	2596911	0.48
				30 Sep 2016	527150	Transfer	3124061	0.57
				31 Mar 2017	4462516	Transfer	7586577	1.39
	AT THE END OF THE YEAR			31 Mar 2017			7586577	1.39
6	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	2396374	0.44				2396374	0.44
				10 Jun 2016	(21850)	Transfer	2374524	0.44
				15 Jul 2016	22886	Transfer	2397410	0.44
				16 Sep 2016	(9665)	Transfer	2387745	0.44
				30 Sep 2016	568428	Transfer	2956173	0.54
				07 Oct 2016	500000	Transfer	3456173	0.63
				30 Dec 2016	1542	Transfer	3457715	0.63
				06 Jan 2017	500000	Transfer	3957715	0.73
				20 Jan 2017	169700	Transfer	4127415	0.76

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name	Shareholding at the beginning of the year -01/04/2016		Transactions during the year		Reason	Cumulative Shareholding at the end of the year -31/03/2017	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company	Date of Transaction	Increase/ Decrease in share-holding		NO OF SHARES HELD	% of total shares of the Company
				27 Jan 2017	100000	Transfer	4227415	0.78
				17 Feb 2017	150000	Transfer	4377415	0.80
				03 Mar 2017	1295455	Transfer	5672870	1.04
				10 Mar 2017	471362	Transfer	6144232	1.13
				17 Mar 2017	256000	Transfer	6400232	1.18
				31 Mar 2017	223312	Transfer	6623544	1.22
	AT THE END OF THE YEAR			31 Mar 2017			6623544	1.22
7	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE PURE VALUE FUND	0	0.00					
				28 Oct 2016	700000	Transfer	700000	0.13
				04 Nov 2016	338500	Transfer	1038500	0.19
				11 Nov 2016	240000	Transfer	1278500	0.23
				02 Dec 2016	1100000	Transfer	2378500	0.44
				09 Dec 2016	500000	Transfer	2878500	0.53
				16 Dec 2016	302900	Transfer	3181400	0.58
				13 Jan 2017	500000	Transfer	3681400	0.68
				27 Jan 2017	250000	Transfer	3931400	0.72
				03 Feb 2017	800000	Transfer	4731400	0.87
				10 Feb 2017	686000	Transfer	5417400	0.99
				17 Feb 2017	1000	Transfer	5418400	0.99
				24 Feb 2017	656000	Transfer	6074400	1.12
				03 Mar 2017	548000	Transfer	6622400	1.22
	AT THE END OF THE YEAR			31 Mar 2017			6622400	1.22
8	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND	1676344	0.31				1676344	0.31
				10 Jun 2016	288170	Transfer	1964514	0.36
				24 Jun 2016	293868	Transfer	2258382	0.41
				22 Jul 2016	15426	Transfer	2273808	0.42
				29 Jul 2016	45828	Transfer	2319636	0.43
				05 Aug 2016	1401392	Transfer	3721028	0.68

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name	Shareholding at the beginning of the year -01/04/2016		Transactions during the year		Reason	Cumulative Shareholding at the end of the year -31/03/2017	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company	Date of Transaction	Increase/ Decrease in share-holding		NO OF SHARES HELD	% of total shares of the Company
				12 Aug 2016	43035	Transfer	3764063	0.69
				19 Aug 2016	65472	Transfer	3829535	0.70
				09 Sep 2016	103492	Transfer	3933027	0.72
				16 Sep 2016	815164	Transfer	4748191	0.87
				23 Sep 2016	316796	Transfer	5064987	0.93
				07 Oct 2016	28640	Transfer	5093627	0.94
				14 Oct 2016	19690	Transfer	5113317	0.94
				21 Oct 2016	67125	Transfer	5180442	0.95
				28 Oct 2016	26850	Transfer	5207292	0.96
				11 Nov 2016	58175	Transfer	5265467	0.97
				25 Nov 2016	70705	Transfer	5336172	0.98
				02 Dec 2016	40275	Transfer	5376447	0.99
				06 Jan 2017	23112	Transfer	5399559	0.99
				13 Jan 2017	49113	Transfer	5448672	1.00
				20 Jan 2017	23112	Transfer	5471784	1.00
				03 Feb 2017	69336	Transfer	5541120	1.02
				17 Feb 2017	19260	Transfer	5560380	1.02
				24 Mar 2017	47700	Transfer	5608080	1.03
				31 Mar 2017	27632	Transfer	5635712	1.03
	AT THE END OF THE YEAR			31 Mar 2017			5635712	1.03
9	MERRILL LYNCH MARKETS SINGAPORE PTE. LTD	0	0.00				0	0.00
				26 Aug 2016	518832	Transfer	518832	0.10
				02 Sep 2016	(47799)	Transfer	471033	0.09
				09 Sep 2016	52389	Transfer	523422	0.10
				16 Sep 2016	2080238	Transfer	2603660	0.48
				23 Sep 2016	(132237)	Transfer	2471423	0.45
				30 Sep 2016	216268	Transfer	2687691	0.49
				07 Oct 2016	(46972)	Transfer	2640719	0.48
				28 Oct 2016	342000	Transfer	2982719	0.55
				18 Nov 2016	(684000)	Transfer	2298719	0.42
				25 Nov 2016	(2052000)	Transfer	246719	0.05
				02 Dec 2016	(92625)	Transfer	154094	0.03
				30 Dec 2016	(142500)	Transfer	11594	0.00
				10 Feb 2017	14250	Transfer	25844	0.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name	Shareholding at the beginning of the year -01/04/2016		Transactions during the year		Reason	Cumulative Shareholding at the end of the year -31/03/2017	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company	Date of Transaction	Increase/ Decrease in share-holding		NO OF SHARES HELD	% of total shares of the Company
				10 Mar 2017	5607375	Transfer	5633219	1.03
				17 Mar 2017	32491	Transfer	5665710	1.04
				31 Mar 2017	(513000)	Transfer	5152710	0.95
	AT THE END OF THE YEAR			31 Mar 2017			5152710	0.95
10	MORGAN STANLEY MAURITIUS COMPANY LIMITED	0	0.00				0	0.00
				08 Jul 2016	244918	Transfer	244918	0.04
				15 Jul 2016	224000	Transfer	468918	0.09
				22 Jul 2016	231000	Transfer	699918	0.13
				29 Jul 2016	363585	Transfer	1063503	0.20
				05 Aug 2016	196000	Transfer	1259503	0.23
				12 Aug 2016	275739	Transfer	1535242	0.28
				19 Aug 2016	(9360)	Transfer	1525882	0.28
				26 Aug 2016	(75650)	Transfer	1450232	0.27
				02 Sep 2016	7125	Transfer	1457357	0.27
				09 Sep 2016	21375	Transfer	1478732	0.27
				16 Sep 2016	148882	Transfer	1627614	0.30
				23 Sep 2016	751229	Transfer	2378843	0.44
				30 Sep 2016	1033734	Transfer	3412577	0.63
				07 Oct 2016	334875	Transfer	3747452	0.69
				14 Oct 2016	70057	Transfer	3817509	0.70
				21 Oct 2016	54737	Transfer	3872246	0.71
				28 Oct 2016	(1297069)	Transfer	2575177	0.47
				04 Nov 2016	448875	Transfer	3024052	0.56
				11 Nov 2016	(819375)	Transfer	2204677	0.40
				18 Nov 2016	(669750)	Transfer	1534927	0.28
				25 Nov 2016	(356250)	Transfer	1178677	0.22
				02 Dec 2016	(327431)	Transfer	851246	0.16
				16 Dec 2016	(28500)	Transfer	822746	0.15
				23 Dec 2016	106875	Transfer	929621	0.17
				30 Dec 2016	42750	Transfer	972371	0.18
				06 Jan 2017	(64846)	Transfer	907525	0.17
				20 Jan 2017	313500	Transfer	1221025	0.22
				27 Jan 2017	(71250)	Transfer	1149775	0.21

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name	Shareholding at the beginning of the year -01/04/2016		Transactions during the year		Reason	Cumulative Shareholding at the end of the year -31/03/2017	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company	Date of Transaction	Increase/ Decrease in share-holding		NO OF SHARES HELD	% of total shares of the Company
				03 Feb 2017	(35625)	Transfer	1114150	0.20
				10 Feb 2017	1097250	Transfer	2211400	0.41
				17 Feb 2017	(128250)	Transfer	2083150	0.38
				24 Feb 2017	321752	Transfer	2404902	0.44
				03 Mar 2017	(28500)	Transfer	2376402	0.44
				10 Mar 2017	650000	Transfer	3026402	0.56
				17 Mar 2017	1486502	Transfer	4512904	0.83
				24 Mar 2017	491625	Transfer	5004529	0.92
				31 Mar 2017	(35625)	Transfer	4968904	0.91
	AT THE END OF THE YEAR			31 Mar 2017			4968904	0.91

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year – 01-04-2016		Shareholding at the end of the year - 31-03-2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
A	Directors:				
1	Dinesh B. Patel, Chairman	247860	0.06	290536	0.05
2	Arun P. Patel, Vice Chairman	327710	0.07	327710	0.06
3	Rahul A. Patel, Managing Director (Group)	497090	0.11	497090	0.09
4	Amit D. Patel, Managing Director (Group)	339900	0.08	398425	0.07
5	S.B. Dangayach, Managing Director	20000	0.00	23440	0.00
6	Ramniklal H. Ambani	0	0.00	0	0.00
7	AshwinLalbhai Shah	0	0.00	0	0.00
8	Dr. Rajesh B. Parikh	100	0.00	100	0.00
9	Dr. Lavkumar Kantilal	0	0.00	0	0.00
10	Indira J. Parikh	0	0.00	0	0.00
11	Dr. N.K Bansal	0	0.00	0	0.00
B	Key Managerial Personnel(KMPs):				
1	Prashant Shah, Head – Accounts & Audit and CFO	0	0.00	0	0.00
2	Hitesh Mehta, Company Secretary and Compliance Officer	0	0.00	0	0.00

V. Indebtedness

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

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness as on 01-04-2016				
(i) Principal Amount	4,626.87	254.99	0	4,881.86
(ii) Interest accrued on borrowing	31.51	4.98	0	36.49
Total (i+ii+iii)	4,658.38	259.97	0	4,918.35
Change in Indebtedness during the financial year 2016-17				
Addition	1,117.00	802.55	0	1,919.55
Reduction	-2,064.51	-601.49	0	-2,666.00
Net Change	-947.51	201.06	0	-746.45
Indebtedness as on 31-03-2017				
i) Principal Amount	3,679.36	456.05	0	4,135.41
ii) Interest accrued on borrowings	2.68	19.28	0	21.96
iii) Interest accrued but not due	-	-	0	-
Total (i+ii+iii)	3,682.04	475.33	0	4,157.37

VI. Remuneration of Directors and Key Managerial Personnel

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Rahul A. Patel	Amit D. Patel	S. B. Dangayach	Total Amount
1	Gross salary	553.33	556.27	185.57	1295.17
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(9.00)*	(9.00)*	(4.50)*	(22.50)*
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	(285.00)*	(285.00)*	(75.00)*	(645.00)*
	- as % of profit	1.97	1.97	0.52	4.46
	- others specify				
	Others, please specify				
	Total (A)	553.33	556.27	185.57	1295.17
	Ceiling as per Act @ 10%				₹1449

* Included in (a) above.

B. Remuneration to other directors:

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Dinesh B Patel	Arun P Patel	Ramnikbhai H. Ambani	Ashwin Lalbhai Shah	Indira J. Parikh	Dr. N. K. Bansal	Dr. Rajesh B. Parikh	Dr. Lavkumar Kantilal Shah	
Independent Directors										
	Fee for attending board / committee meetings	-	-	6.10	9.25	5.00	5.10	6.00	5.10	36.55
	Commission	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	-	-	6.10	9.25	5.00	5.10	6.00	5.10	36.55
Other Non-Executive Directors										
	Fee for attending Board / committee meetings	4.25	6.10	-	-	-	-	-	-	10.35
	Commission	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (2)	4.25	6.10	-	-	-	-	-	-	10.35
	Total (B)=(1+2)	4.25	6.10	6.10	9.25	5.00	5.10	6.00	5.10	46.90
	Overall Ceiling as per the Act @1%									₹ 144.91
Total Remuneration (A) + (B)										₹ 1342.07

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

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Prashant Shah, Head – Accounts & Audit and CFO	Hitesh Mehta, Company Secretary	Total
1	Gross salary	43.39	9.72	53.11
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) of the Income Tax, Act 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others specify	-	-	-
5	Others, please specify	-	-	-
	Total	43.39	9.72	53.11

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of Companies Act	Brief description	Details of penalty/ punishment/Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any give details
A. COMPANY					
Penalty					
Punishment			Nil		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			Nil		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			Nil		
Compounding					

For and on behalf of the Board of Directors

Date: July 31, 2017
Place: Ahmedabad

Dinesh B. Patel
Chairman
(DIN: 00171089)

Annexure “E” To Directors’ Report

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L17110GJ1931PLC000454
2. Name of the Company : Sintex Industries Limited
3. Registered Office address : Kalol - 382 721, Gujarat.
4. Website : www.sintex.in
5. E-mail id : bvm@sintex.co.in
6. Financial Year reported : 1st April, 2016 to 31st March, 2017.
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Industrial Group	Description
131	Spinning, weaving and finishing of textiles

As per National Industrial Classification- Ministry of Statistics and Programme Implementation.

8. List three key products/services that the Company manufactures / provides (as in balance sheet):

Manufacture of Cloth/Fabrics and Yarn

9. Total number of locations where business activity is undertaken by the Company:

(a) Number of International Locations: NIL

(b) Number of National Locations: Two

10. Markets served by the Company – Local, State, National and International

The Company served entire domestic market and export internationally in various Countries like Bangladesh, Peru, Pakistan, Portugal, Morocco, Egypt, Brazil, Vietnam, Italy, Germany, Taiwan, China, Turkey, Serbia, etc.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): 54.47 Crores (as at 31.03.2017)
2. Total Turnover (INR): 1430.45 Crores
3. Total profit after taxes (INR): 127.48 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

The Company carries its CSR activities directly and also through its CSR arm i.e. Shraddha Social Welfare and Charitable Trust. During F.Y. 2016-17, the Company spent ₹10.31 Crore towards CSR activities.

5. List of activities in which expenditure in 4 above has been incurred:

The major areas in which the above expenditure has been incurred includes public welfare and utility, Healthcare initiatives, training and skill development of youth.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, the Company has one Subsidiary Company namely M/s. BVM Overseas Limited as on 31st March, 2017.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Business Responsibility initiatives of the Parent Company are applicable to the subsidiary company to the extent that they are material in relation to the business activities of the subsidiary.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

- 1. DIN Number:** 00171035
- 2. Name:** Mr. Amit D. Patel
- 3. Designation:** Managing Director (Group)

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00171035
2	Name	Mr. Amit D. Patel
3	Designation	Managing Director (Group)
4	Telephone number	02764-253000
5	e-mail id	bvm@sintex.co.in

2. Principle-wise (as per NVGs) BR Policy/policies

- P1– Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2– Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3– Businesses should promote the well-being of all employees
- P4– Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
- P5– Businesses should respect and promote human rights
- P6– Businesses should respect, protect, and make efforts to restore the environment
- P7– Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8– Businesses should support inclusive growth and equitable development
- P9– Businesses should engage with, and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition. However, while formulating the policies and adopting the same, the Company has been sensitive to the Stakeholders and further, engaged experts of repute, as and when felt necessary.								
3	Does the policy conform to any national / international standards? If yes, specify?	All the policies are compliant with respective principles of NVG Guidelines.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?*	Since all the policies are not required to be approved by the Board, the approval of the Board has been obtained, where it is mandatory.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.sintex.in (for i. Code of Conduct; ii. Policy for Prohibition of Insider Trading and iii. Whistle Blower Policy.)								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal Stakeholders. External Stakeholders are communicated to the extent applicable.								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?						Y			

*No, it is not signed.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									Not Applicable
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Managing Director (Group) periodically assess the BR performance of the Company.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This report comprises the Company's first Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVE). The Company currently does not publish a separate Sustainability Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company has adopted a Code of Conduct for its Directors and Senior Management personnel. Additionally, the Policy on Code of Conduct for Employees applies to all employees of the Company and its Subsidiary. These do not extend to any other entities.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No stakeholder complaints pertaining to the above codes were received in the past financial year.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(a) As presently, the Company is into manufacturing of 100% grey yarn from cotton, Polyester cotton blends. There are no social or environmental concerns in any of the products. The Company is not into sales of any kind of services. However, the Company provides after sales technical support to its Customers, in case they face any quality issue in the products supplied by us. The Company is not into designing the products, but transforming input raw material to the end product by using the process, technology & skills. The end product in our case is Industrial product & not for end use by the retail customers.

- (b) **Risks:** Any changes in the state/Centre government policies, volatility in the prices of raw material, increasing competition & availability of skilled manpower might be the risks in our defined context.
- (c) **Opportunities:** In future, the Company shall be in a position to offer single shop buying to our customers by widening our product base, better customer retention due to availability of latest art & technology.
- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**
- (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
- Presently our Company is into the Quality & Customer base establishment phase, for which the Company need to provide better quality & services to our customers to have an edge over our competitors, so there is no reduction in the usage of resources per unit of the output product.
- (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**
- It is difficult to quantify the exact quantity in terms of reduction achieved in energy and water by the consumers.
- 3. Does the company have procedures in place for sustainable sourcing (including transportation)?**
- (a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**
- No specific procedures have been adopted for sustainable sourcing.
- 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**
- (a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**
- The Company and its contractors endeavour to provide hygiene and healthy working environment to workers at sites including training to improve the capabilities of the local work force.
- 5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**
- There is no recycling of the products, but the waste generated during the manufacturing process is recyclable with limit of 5%.
- At each stage of the process, there are two kind of waste generation i.e. saleable & recyclable waste (Soft waste), the total % age of the soft waste generation is always below 5.0% & it is mixed in the blowroom mixing laydown. The waste generated at Carding due to end breaks, batch change, joint material waste at breaker, finisher draw frames, lap former, comber, speed frame stage & the pneumafil waste generated at Ring frame stage is called as soft waste & is recycled.

Principle 3

- 1. Please indicate the Total number of employees.**
- The Company's textiles business (fabric and yarn) is managed by a team comprising around 5307 workforce, who are expert in their area of operations.
- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**
- Temporary – 04, Contractual: 164 (Man days) Casual : 18
- 3. Please indicate the Number of permanent women employees.**
- Staff: 31 Workers: 617 Total : 648
- 4. Please indicate the Number of permanent employees with disabilities**
- 26
- 5. Do you have an employee association that is recognized by management?**
- Textile Labour Association and Joint Management Council
- 6. What percentage of your permanent employees is members of this recognized employee association?**
- Workers representative selected by 100 % permanent employees.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Safety: 100 %, Skill up- gradation: 100% All trainees (Three months duration), 100% All skilled workmen (One week duration)

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. The key Stakeholders of the Company are employees, customers, government authorities, suppliers, local communities and shareholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Not Applicable

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Not Applicable

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company's policy and practices relating to protection of human rights viz., non-engagement of child labour, assuring safety measures etc. is applicable to the Company and its subsidiary.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has not received any complaints from any Stakeholders pertaining to human rights.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Environment policy of the Company does not extend to any other entities.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, to mitigate the problem global environmental issues such as climate change, global warming, the Company is developing 4.5 MW Solar Roof Top Power Project.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company has a mechanism to identify and assess potential risks in its plants and projects.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, the Company is developing 4.5 MW Solar Roof Top Power Project.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB.

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

NIL

Principle 7

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes. The Company is a Member of Textile Association.

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

Principle 8

- 1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?**

Yes.

- 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

No

- 3. Have you done any impact assessment of your initiative?**

Yes, the Company has conducted impact assessment of its CSR initiatives.

- 4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

The Company's monetary contribution to community development projects in F.Y. 2016-17 was ₹10.31 Crores. The focus areas of the Company's community development projects are outlined in response to Question 5 under Section B.

- 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Yes.

Principle 9

- 1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

As such, there are no major quality complaints pending in Exports at the end of F.Y. 16-17.

- 2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)**

There are detailed products information with lot numbers etc. on the cone labels and cartons /Pallets which is good enough for the customer to identify the products and use them appropriately.

- 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No such cases pending.

- 4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Company get updates on mails/phones for quality of goods supplied by it. Further, from time to time, the Company is sending feedback forms to get consumer satisfaction trends.

MANAGEMENT

DISCUSSION AND ANALYSIS

Economic overview

Global economy

Global economic activity improved in the second half of CY2016, especially in advanced economies. Growth picked up in the US as firms grew more confident about future demand. The economy also recorded a lower rate of unemployment and buoyant consumer demand. In the aftermath of the Brexit vote, the Euro area growth was also resilient on the back of strong domestic demand and continued easing; the growth in the United Kingdom remained robust on the back of resilient spending. Japan's performance has also been on the upside with strong exports.

However, the global economic growth, at 3.1% on a y-o-y basis, fell short of expectations in CY2016 as deceleration in key emerging markets and developing economies (EMDEs) overshadowed the modest recovery in major developed countries. The EMDEs contribute to more than half of the global economic growth rate. Their deceleration was accompanied by a modest increase in commodity prices, subdued global trade, financial market volatility and weakening capital flows. Although China's growth turned out to be better than expected on the back of policy stimulus, it was lower than CY2015. India fared better than the world in terms of growth, even though the demonetisation exercise temporarily threw a challenge.

Outlook: There has been acceleration in growth in advanced economies, primarily owing to reduced inventories and marginal recovery in manufacturing output. Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs in early 2016. Oil prices increased consequent to an agreement among major producers to trim supply. Activity is projected to pick up in emerging market and developing economies, because conditions in commodity exporters experiencing macroeconomic strains are gradually expected to improve.

According to the International Monetary Fund (IMF), the global economic activity is picking up with a long awaited cyclical recovery in investment, manufacturing, and trade. It has projected economic activities to improve in both advanced economies as well as EMDEs in CY 2017 and CY 2018, with global growth projections at 3.5% and 3.6%, respectively.

Indian economy

India's economic growth is gradually improving since 2014. The favourable policy as well as executive reforms by the Government to support strong and sustainable growth, prudent fiscal regime and calibrated monetary easing that reigned in inflation have helped to strengthen macroeconomic stability. The lower crude oil prices have also helped to reduce current account deficit, improve fiscal positions, and lower inflation. This, in turn, has helped boost economic activities in India.

However, according to estimates by the Central Statistics Office (CSO), India's GDP growth has moderated in FY 2016-17 to 7.1% from 7.9% recorded in the previous financial year. This happened largely owing to the demonetisation initiative that led to temporary de-circulation of money. The situation has largely normalised, following the Government's re-monetisation process.

Snapshot

- India's economy is the third largest in the world (in PPP terms), with the GDP at USD 8 trillion (Source: World Bank)
- In FY 2016-17, the agricultural sector recorded an encouraging growth of 4.1% on a y-o-y basis, thanks to a normal monsoon.
- In contrast, the industrial sector grew by 5.0%, whereas the service sector growth was 8.8%.
- The total FDI investments in India received during FY 2016-17 rose 18% on a y-o-y basis to USD 46.4 billion, indicating that the Government's effort to improve the ease of doing business and relaxation in FDI norms are yielding positive outcomes.

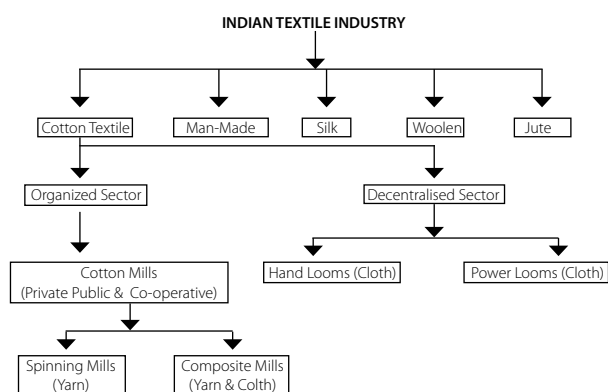
Outlook: The growth momentum should rise, driven by the Government's policy initiatives in areas such as taxation (GST), foreign direct investment (FDI), and the ease of doing business, among others. Other major factors helping India stay as a bright spot in the global economic landscape include the lower global oil price, with positive impact on the country's import bill, a well-regulated monetary policy by the Reserve Bank to stabilise prices, and improving fiscal condition. The Government's endeavour to drive a bigger as well as a cleaner GDP is expected to augur well for the economy in the medium and long terms. The introduction of GST and higher outlays in the Budget 2017 are expected to drive growth as well.

The Indian Textile industry

India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub. It is the world's second largest producer of textiles and garments.

The Textile industry encompasses a range of industrial units, which use a wide variety of Natural and Synthetic Fibres. The Textile industry can be broadly classified into two categories, the organized mill sector and the unorganized mill sector.

The following chart shows the structure of Indian Textile Industry:



The textiles industry wields significant influence on the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14% to industrial production, 4% to the GDP and 27% to the country's foreign exchange inflows. It provides direct employment to over 45 million people, the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the India's economy.

The Indian textile industry is largely small and fragmented and organized players constitute only 5% of the industry. The fragmented nature of the Indian textile and apparel industry is validated by important segment realities:

Spinning: Only 12% of spinning mills are composite in nature.

Weaving: Only 4% of the fabric production comes from the organized mill sector.

Processing: Less than 10% processing units are integrated in nature Apparel.

Home textile: Bulk is done by small-scale units, decentralized powerlooms, hosiery and knitting sectors form the largest section of the industry.

Performance, 2016-17

Spinning sector

With an installed capacity of 48.66 million spindles, India accounts for about 22 per cent of the world's spindle capacity. Independent

spinning mills account for about 75 per cent of capacity and 92 per cent of production.

India has the second largest cotton spinning capacity in the world and cotton yarn accounted for ~60% of total yarn production. Despite the increasing popularity of synthetic yarn, share of cotton yarn in total yarn production has increased during the last few years.

A recent study by rating agency Care estimates India's cotton yarn production at 3,936 million kg for financial year 2016-17, nearly five per cent lower than 4,138 million kg output reported in the previous financial year. For the past few years, cotton yarn production has increased by 3 -3.5% to meet domestic demand and exports.

Performance, 2016-17

About Sintex Industries

Sintex was originally a pure-play textile company, among the first to produce polyester fabrics in India (1960s), the first to start making corduroy fabrics (1976) and the first to manufacture high-end yarn dyed men's shirting (1992).

The Company now produces multiple varieties of blended high-end shirting (cotton linen, cotton-silk, cotton lycra and cotton-linen-lycra). It enjoys a major share of the structured fabric market in India by addressing the growing needs of premium men's shirt brands.

Sintex is one of the largest corduroy manufacturers in Asia. It manufactures a range of corduroy fabrics, including yarn dyed corduroy and ultima cotton yarn based corduroy.

Marketed under the BVM brand, the Company's fabrics find acceptance with leading global fashion labels and Indian brands. Some of its customer include globally recognized brands namely Triber, Gap, DKNY, Ralph Lauren, Marks & Spencer (international) and Arrow, Zodiac, Van Huesen, Louis Phillipe (domestic).

To establish an entrenched domestic presence and create mass awareness, the Company has created a retail distribution channel pan-India which markets ready-to-stitch fabric packs. Moreover, the Company initiated similar retail channels to in Dubai and Bangladesh for marketing ready-to-stitch fabric packs – for strengthening its retail business.

This division offers revenue diversification to Sintex, contributing 18% to the company's total revenues. A substantial and growing chunk of its business comprises selling collections, which it designs and develops through its tie-ups with various European design houses.

The Company's fibre-to-fabric facility in Kalol, Gujarat, houses inventory of spindles, most of which are compact and spin fine counts up to 2x180s; in fabric processing, the Company possesses wet and dry processing technologies.

The Company offers fabrics with multiple surface finishes (peaching, razing, brushing, etc.); almost 50% of the fabrics comprise designs prepared by the in-house team; there are 24

looms dedicated for product development. The textile innovation team develops more than 36,000 designs each year; the Company has also forged technical and market development alliances with various European Design Houses which keeps them abreast of evolving customer aspirations and emerging design trends globally.

The Company enjoys the Oko Tex standard 100 Certification (ecological and environmental safety certification process for 100 different harmful substances) from M/s Swiss Textile Testing Institute, Testex, Zurich and is one of the few textile mills which are a certified member of Supima Cotton users.

Performance, 2016-17

The improved performance was due to an increase in sales volumes and an increased sale of value-added products. Profits also improved as PBIT increased by 25.30 % from ₹281.86 crore in 2015-16 to ₹353.17 crore in 2016-17 – owing to value-addition in the sales mix and operating efficiencies.

During the year, the Company implemented important measures to strengthen its business prospects and streamline shopfloor operations.

At the shopfloor, the team continued to traverse the operations improvement journey – the team implemented a number of important measures for improving product quality, streamlining process for minimizing wastages and optimizing the consumption of energy and other utilities. In addition the Company installed a technologically improved SAP-based business monitoring system which should help in improving man-machine productivity going ahead.

The business development team made satisfying progress as they established a presence in new markets namely South Korea, Lebanon, Vietnam, Hong Kong, Myanmar and UAE even as they entrenched their presence in existing markets namely the US, Europe, Sri Lanka, Italy, Brazil and Bangladesh. The thrust on international markets yielded rich dividend as the company added important marquee to its enviable client list – they include A&F, Superdry, ZARA, M&S, Marcopolo

The Company strengthened its lucrative retail presence in India and in the important global geographies namely U.A.E (Dubai) and Bangladesh (Dhaka) – it widened its presence by expanding its distribution channel. The Company established its dealer base in new domestic markets namely the North-east, Madhya Pradesh, Chhattisgarh and parts of South India.

Besides, the Company increased the product offering to widen the customer segment – it added Jacquard, Linen, Giza and Lawn fabric varieties to its existing retail portfolio. As a result, retail business increased by 40% over the previous year – with an aspiration to double revenue in the coming year.

In addition, the Company also partnered with leading e-commerce brands such as Amazon, Flipkart and Snapdeal to leverage this new-age platform to widen its customer base and awareness.

In addition, the Company made considerable investments in

strengthening its product and capability awareness among quality-conscious textile players in India and across the globe.

- Participated in regional conferences where the team made detailed product and capability presentations
- Invested in on-ground advertisements (standby, posters and promotional items at the retail outlets)
- Initiated branding and advertisement strategies on social networking sites
- Advertised in leading textile magazines and publication for increasing awareness in the textile space
- Increased participation in textile-related conferences and agent meets

During the year, the Company implemented a important initiatives which hold the potential to sustain business growth over the medium-term. The Company installed state-of-art-fully automatic printing technology from Zimmer, Austria along with other ancillary equipment for introducing niche printed fabrics for high-end textile brands in India and across the globe. This investment increased the overall mill capacity by about 1 mn meters per month

Cotton

India is the largest producer of cotton in the world accounting for about 26% of the world cotton production. It has the distinction of having the largest area under cotton cultivation in the world ranging between 10.9 million hectares to 12.8 million hectares and constituting about 38% to 41% of the world area under cotton cultivation. The yield per hectare (i.e. 504 kgs to 566 kgs per hectare) is however still lower against the world average of about 701 Kgs to 766 kgs per hectare. The country is expected to make more strides in cotton production in the years to come.

Output in Cotton season 2016-17 (October 2016 – September 2017)

According to the Cotton Association of India (CAI), India is expected to produce about 345 lakh bales during 2016-17 as compared to around 338 lakh bales produced in 2015-16 crop year. This is even as, the acreage under cotton is expected to go down to about 105 lakh hectare during 2016-17 from 118.77 lakh hectares during 2015-16 – As per the latest estimates of the Directorate of Cotton Development. This increase is on account of improvement in productivity on account of better weather conditions across all cotton growing regions of the country.

Outlook for Cotton season 2017-18 (October 2017 – September 2018)

Global: World cotton production is forecast to increase by 7% to 113.2 million bales, or 24.65 million tonne in this crop year that starts from August 2017, after a 9% rise in 2016-17. The higher 2017/18 cotton production projection is the result of favorable prices that are encouraging a rebound in area. India, China, and the US are forecast to account for a combined 62% of global cotton production in 2017-18, as compared with 63% in 2016/17.

According to The International Cotton Advisory Committee (ICAC) high cotton prices in 2016-17 are expected to encourage farmers to expand the area under cotton by 5% to 30.8 million hectares in 2017-18.

A normal monsoon forecast by India's weather office IMD means a boost to the cotton and other agriculture products.

India's cotton area is forecast to increase by 7% to 11.3 million hectares in 2017-18 as farmers are encouraged by better returns due to high cotton prices and improved yields last year. Assuming a yield that is similar to the five-year average, production could increase by 3% to about 6 million tonne.

The ICAC forecasts production in China to rise by 1% to 4.8 million tonne, the first increase in five seasons.

Similarly, farmers in the United States are forecast to expand harvested cotton area by 12% to 4.3 million hectares and production could grow by 8% to 4 million tonne.

India: Cotton planting in India, the world's biggest producer of the fibre, is likely to rise by 15% in the 2017-18 marketing season to a three-year high as farmers switch away from other crops, likely boosting cotton production and exports. Higher output in India could kill a rally that pushed global cotton prices to their highest in three years in May 2017.

This increase in the cotton planting is owing to the higher prices received by farmers in the cotton seasons 2016-17 (October – September). Domestic cotton prices rose 19% from a year ago to ₹41,300 (\$639) per 356kg candy, following the rally in overseas prices.

A 15% rise in crop area would lift India's cotton planting to around 12.08 million hectares (29.9 million acres) in the marketing year starting on 1 October 2017, highest since the 2014/15 year. That compares to 10.5 million hectares in the current marketing year (2016-17) which was the lowest in the previous seven years.

Yarn – a new vertical

Sintex is setting up one of India's largest compact yarn facilities in India. This facility (6 kms from Pipavav port) will commission about 1 mn spindles in a phased manner. The unit will house cutting-edge technology sourced from global leaders in the textile machinery space; the cotton/yarn will not experience human intervention until the packaging stage – the plant's 'No-Touch' operations hold the potential to revolutionise the Indian spinning sector going forward.

The Company intends to provide its customers 100% contamination-free cotton yarn (premium) – positioning it as one of the preferred suppliers for quality-respecting global brands.

The Company has de-risked its business by prudently balancing its marketing exposure in different geographies. While 35% of the produce will be marketed domestically, the Company plans to market the remaining output to leading global textile players. In the international space, the Company is working on establishing a presence in diverse markets.

Performance, 2016-17

Sintex commenced operations of Phase I comprising 3.06 Lacs spindles spinning superior quality compact yarn for weaving and knitting operations during F.Y. 2016-17. The unit is currently operating at 98% utilisation. The unit reported gross revenue of ₹646.46 crore in the first year of commercial production.

Human resources

Sintex firmly believes that its intellectual capital plays a defining role in transforming business strategies into on-ground realities and is the critical catalyst towards sustaining profitable business growth. In line with this conviction, the management continues to invest in its people capital to nurture skill and build capabilities, which in turn results in sustaining its industry outperformance.

The Company's textiles business (fabric and yarn) is managed by a team comprising around 5307 workforce, who are expert in their area of operations.

The Company conducts regular training for knowledge enhancement and skill development of its shopfloor team at "Manav Vikas Kendra" resident within the mill premises. For this the Company has hired global area specialists from Gherzi (Switzerland) and supported by a technical in-house team comprising 30 trainers, for facilitating effective skill development. In addition to technical know-how, the trainees are also imparted knowledge on behavioral aspects to for personality development.

In addition, a centralized training center - Sintex Gurukul - has been established in Ahmedabad for the Sintex Group is where regular training workshops and programmes are conducted for the entire staff.

The Company conducts various cultural programmes during the festive season for the employees and their families'. In addition, the Company organizes various games and spiritual lectures for the participation of the team – nurturing a strong bond beyond the work place.

Sintex believes that empowering women fosters stability and prosperity in their family and the local area. In keeping with this belief, the Company has recruited a number of female members for managing the operations at its yarn.

The Company is also investing in a residential colony for its workforce with contemporary amenities namely a shopping center, sports field, amphitheater, small cinema hall and a large mess.

Internal control

The Company has in place adequate systems of internal controls and documented procedures covering all financial and operating functions. These have been designed to provide reasonable assurance with regard to maintaining proper accounting control, monitoring economy and efficiency of the Company, protecting assets from unauthorised use or losses and ensuring reliability of financial and operational information. The internal controls are designed to ensure that financial and other records are reliable for preparing financial statements, collating other data and for maintaining accountability of assets.

Risk management

The Company's risk management framework encompasses strategy and operations and seeks to proactively identify, address and mitigate existing and emerging risks. The risk management framework goes far beyond traditional boundaries and seeks to involve all key managers of the Company.

The Company has a robust risk management framework to identify and mitigate risks arising out of internal as well as external factors. There is a formal monitoring process at unit and company level, wherein new risks are identified, categorised as per impact and probability, mapped to key responsibilities of select managers and managed with appropriate mitigation plan. To ensure transparency and critical assessment, the Company's Risk Management Team coordinates the risk management system and ensures that it continues to remain relevant with evolving economic and sectoral changes. The risk management framework is reviewed annually by the Audit Committee on behalf of the Board.

Cautionary Statement

Statements in this document that are not historical facts are 'forward-looking' statements. These 'forward-looking' statements may include the Company's objectives, strategies, intentions, projections, expectations, and assumptions regarding the business and the markets in which the company operates. The statements are based on information which is currently available to us, and the Company assumes no obligation to update these statements as circumstances change. There may be a material difference between actual results and those expressed herein. The risks, uncertainties and important factors that could influence the Company's operations and business are the global and domestic economic conditions, the market demand and supply, price fluctuations, currency and market fluctuations, changes in the Government's regulations, statutes and tax regimes, and other factors not specifically mentioned herein but those that are common to the industry.

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance:

Corporate Governance at Sintex Industries Limited has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the Organization and putting in place appropriate systems, process and technology.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

I. BOARD OF DIRECTORS:

• Composition:

During the year under consideration, the Board comprises of 11 Directors drawn from diverse fields/professions. The Chairman of the Board is Promoter, Non-executive Director. The Company has 8 Non-executive Directors out of which 6 are Independent Directors. There are three directors in whole time employment, being the Managing Directors of the Company.

The composition of the Board is in conformity with Regulation 17 of the SEBI Regulations and section 149 of the Companies Act, 2013. All the Directors other than Independent Directors are liable to retire by rotation.

The total number of Directorships held by the Directors and the position of Membership / Chairmanship on Committees is given below. All the Directors are compliant with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and SEBI Regulations in this regard.

Directorships and Membership on Committees:

Sr. No	Name of the Director	Category (1)	Board Meetings during the FY 2016-17		Attendance at the last AGM & EGM	No. of Director-ships in other Public Companies	No. of committee position held in other Public Companies (2)	
			Held	Attended	AGM held on 26.09.2016		Chairman	Member
1.	Dinesh B. Patel, Chairman	Promoter & N.E.D.	7	5	Yes	2	-	-
2.	Arun P. Patel, Vice Chairman	Promoter & N.E.D.	7	7	Yes	2	-	1
3.	Ramnikhbhai H. Ambani	I & N.E.D.	7	7	No	1	1	-
4.	Ashwin Lalbhai Shah	I & N.E.D.	7	7	Yes	-	-	-
5.	Indira J. Parikh	I & N.E.D.	7	4	Yes	7	-	5
6.	Dr. Rajesh B. Parikh	I & N.E.D.	7	5	No	-	-	-
7.	Dr. Lavkumar Kantilal Shah	I & N.E.D.	7	6	Yes	-	-	-
8.	Dr. Narendra Kumar Bansal	I & N.E.D.	7	6	No	-	-	-
9.	Rahul A. Patel, Managing Director (Group)	Promoter & E.D.	7	4	Yes	4	-	-
10.	Amit D. Patel, Managing Director (Group)	Promoter & E.D.	7	5	Yes	5	2	1
11.	S. B. Dangayach, Managing Director(3)	E.D.	7	6	Yes	6	-	1

Notes:

- Category:
I & N.E.D. – Independent and Non-executive Director
N.E.D. – Non-executive Director
E.D. – Executive Director
- Includes only Audit Committee and Stakeholder Relationship Committee of public limited companies.
- Mr. S. B. Dangayach had resigned as Managing Director and Director on the Board w.e.f. 6th June, 2017.
- Mr. Dinesh B. Patel and Mr. Amit D. Patel are related to each other. Mr. Arun P. Patel and Mr. Rahul A. Patel are also related to each other.

Responsibilities :

The board of directors represents the interest of the company's shareholders, in optimising long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

Board Meetings:

Seven Board Meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held during the Financial Year and attendance on the same are as follows:

Sr. No.	Date	Board Strength	No. of Directors present
1	7th May, 2016	11	10
2	19th May, 2016	11	6
3	30th May, 2016	11	7
4	28th July, 2016	11	9
5	29th September, 2016	11	10
6	12th November, 2016	11	11
7	20th January, 2017	11	9

Familiarisation Programme:

The objective of a familiarisation programme is to ensure that the non-executive directors are updated on the business environment and overall operations of the Company. This enables the non-executive directors to make better informed decisions in the interest of the Company and its stakeholders.

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc.

A familiarisation programme was conducted for non-executive directors on areas as such as the core functions of the Company, overview of the industry, financials and the performance of the Company. The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: http://sintex.in.cp-50.webhostbox.net/wp-content/uploads/2016/07/SIL_familiarisation_programme_for_independent_directors.pdf

AUDIT COMMITTEE:

The Audit Committee is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The committee reviews the reports of the internal auditors and statutory auditors along with the comments and corrective action taken by the management. The Audit Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the committee. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Composition

The Committee's composition meets the regulatory requirements mandated by the Act and SEBI Regulations. The Chairman of the Audit Committee is a Non-executive and Independent Director. The present composition of the Audit Committee and particulars of meetings attended by them are given below:

Name of Audit Committee member	Chairman/ Member	Category	No. of Meetings during FY 2016-17	
			Held	Attended
Ashwin Lalbhai Shah	Chairman	I & N.E.D.	6	6
Dr. Rajesh B. Parikh	Member	I & N.E.D.	6	4
Amit D. Patel	Member	Promoter & E.D.	6	5
Indira J. Parikh	Member	I & N.E.D.	6	4

During the Financial Year 2016-17, 6 Meetings were held on 7th May, 2016; 30th May, 2016; 28th July, 2016; 29th September, 2016, 12th November, 2016 and 20th January, 2017.

The Head – Accounts & Audit and CFO, Internal Auditor and Statutory Auditor are permanent invitees to the Meetings.

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Audit Committee are broadly as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses and
5. The appointment, removal and terms of remuneration of the Chief internal auditor.
6. Statement of deviations

III. NOMINATION AND REMUNERATION COMMITTEE:

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are explained herein.

(i) Composition:

During the financial year 2016-17, a meeting of the Nomination and Remuneration Committee was held on 30th May, 2016. The Committee considers and approves salaries and other terms of the compensation package for the Managing Directors. The Remuneration of the Managing Director is recommended by the Committee, approved by the Board and is within the limits set by the members at the Annual General Meeting. The composition of the Committee and the details of meeting attended by the members of the Committee are given below:

Name of Nomination and Remuneration Committee member	Chairman/ Member	Category	No. of meetings attended
Ashwin Lalbhai Shah	Chairman	I & N.E.D.	1
Ramnikbhai H. Ambani	Member	I & N.E.D.	1
Indira J. Parikh	Member	I & N.E.D.	Nil

(ii) Term of Reference:

The broad terms of reference of Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

(iii) The Company Secretary acts as the Secretary to the Committee.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee had laid down the criteria for performance evaluation of Executive and Non-Executive Director of the Company. The Criteria was set based on Profiles, experience, contribution dedication, regularity, aptitude, preparedness & participation, team work and contribution of each Director to the growth of the Company.

Remuneration Policy
• Remuneration to Non Executive Directors:

The Non Executive Directors of the Company are being paid an amount of sitting fees as follows:

- Board Meeting : ₹85,000/- per meeting
- Audit Committee Meeting : ₹40,000/- per meeting
- Other Board Committees Meetings : ₹15,000/- per meeting

Executives Directors are not being paid sitting fees for attending meetings of the Board of Directors/Committees. Other than sitting fees, there were no material pecuniary relationships or transactions by the Company with the Non-Executive and Independent Directors of the Company.

The details of sitting fees paid to the Non-Executive Directors and their shareholding details for the financial year 2016-17 are as follows:

Name	Sitting Fees paid during FY 2016-17 (Amount in ₹)		Total (Amount in ₹)	No. of Shares held as on 31st March, 2017
	Board Meeting	Committee Meeting		
Dinesh B Patel	4,25,000	-	4,25,000	290536
Arun P Patel	5,95,000	15,000	6,10,000	327710
Ramnikbhai H. Ambani	5,95,000	15,000	6,10,000	Nil
Ashwin Lalbhai Shah	5,95,000	3,30,000	9,25,000	Nil
Indira J. Parikh	3,40,000	1,60,000	5,00,000	Nil
Dr. N. K. Bansal	5,10,000	-	5,10,000	Nil
Dr. Rajesh B. Parikh	4,25,000	1,75,000	6,00,000	100
Dr. Lavkumar Kantilal Shah	5,10,000	-	5,10,000	Nil

• Remuneration to Executive Directors:

The Company pays remuneration to its Executive Directors by way of salary, perquisites and allowances (a fixed component) and commission (a variable component) in accordance with provision of the Schedule V read with other provisions of the Act, as approved by the Members.

The Board on the recommendation of the Nomination and Remuneration Committee approves the annual increments. The Board fixes a ceiling on perquisites and allowances as a percentage of salary. Within the prescribed ceiling, the perquisite package is recommended by the Nomination and Remuneration Committee. Commission is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling as stipulated in Section 197 of the Act.

Details of the Remuneration paid to Managing Directors for the year ended on 31st March, 2017: (Amount in ₹)

Name of the Director	Designation	Salary	Perquisites/ Incentives	Commission	Total
Rahul A. Patel	Managing Director (Group)	1,08,00,000	1,60,32,875	2,85,00,000	5,53,32,875
Amit D. Patel	Managing Director (Group)	1,08,00,000	1,63,26,988	2,85,00,000	5,56,26,988
S. B. Dangayach	Managing Director	54,00,000	56,57,279	75,00,000	1,85,57,279

Performance Evaluation

Pursuant to the provisions of the Act and SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance evaluation of its performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. An indicative list of factors that may be evaluated include participation and contribution by a director,

Commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement. The Directors expressed their satisfaction with the evaluation process.

(iv) Service contract, severance fees and notice period

The appointment of the Managing Directors are governed by the Articles of Association of the Company and the Resolution passed by the Board of Directors and the Shareholders of the Company.

No separate Service Contract is entered into by the Company with the Managing Directors.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of the Managing Directors.

Perquisites include house rent allowance; leave travel allowance, gas & electricity, medical and premium for personal accident insurance, contribution to provident fund, superannuation fund and gratuity.

The appointment of the Managing Directors is for a period of 2-5 years.

IV. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are explained herein.

Terms of Reference:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor redressal of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

During the year 2016-17, four meetings of Stakeholders' Relationship Committee were held on 30th May, 2016; 28th July, 2016; 12th November, 2016 and 20th January, 2017. The Composition of "Stakeholders' Relationship Committee" and the details of the meetings attended by its members are as follows:

Name of Stakeholders' Relationship Committee member	Chairman/ Member	Category	No. of meetings attended
Ashwin Lalbhai Shah	Chairman	I & N.E.D.	4
Rahul A. Patel	Member	Promoter & E.D.	2
Amit D. Patel	Member	Promoter & E.D.	3

- Details of Share Holders' Complaints received and redressed during the year 2016-17:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
2	38	39	1

- Investors' Grievance Redressal Cell:

The Company has designated Mr. Hitesh T. Mehta, Company Secretary as the compliance officer of the investors' grievance redressal cell. For the purpose of registering complaints by investors, the Company has designated an e-mail ID - share@sintex.co.in .

V. SHARE AND DEBENTURE TRANSFER COMMITTEE:

The Board of Directors has delegated the power of approving transfer/transmission of shares/dematerialization/rematerialisation of shares and debentures/issue of duplicate certificates and other related formalities to the Share and Debenture Transfer Committee comprising of Mr. Dinesh B. Patel, Chairman and Mr. Arun P. Patel, as member of the Committee. Mr. Hitesh T. Mehta, Company Secretary acts as the Secretary of the Committee.

36 Meetings of the said Committee were held during the Financial Year 2016-17.

VI. GENERAL BODY MEETINGS:

F.Y.	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2013-14	83rd Annual General Meeting At Registered office: Kalol (N.G.) 382721	Monday 1st August, 2014 10.30 a.m.	<ol style="list-style-type: none"> Approving Borrowing Limits of the Company upto ₹7000 Crores under Section 180(1)(c) of the Companies Act, 2013 Approving for creation of charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013 Approving of offer or invitation to subscribe to Non-Convertible Securities on private placement basis.

F.Y.	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2014-15	84th Annual General Meeting At Registered office: Kalol (N.G.) 382721	Monday 31st August, 2015 10.30 a.m.	<p>i. Approving Borrowing Limits of the Company upto ₹8000 Crores under Section 180(1)(c) of the Companies Act, 2013</p> <p>ii. Approving for creation of charge on the assets of the Company under Section 180(1) (a) of the Companies Act, 2013</p> <p>iii. Approving of offer or invitation to subscribe to Non-Convertible Securities on private placement basis.</p> <p>iv. Approving of issuance of Equity Shares, including convertible securities.</p>
2015-16	85th Annual General Meeting At Registered office: Kalol (N.G.) 382721	Monday 26th September, 2016 10.30 a.m.	<p>i. Approving Borrowing Limits of the Company upto ₹9000 Crores under Section 180(1) (c) of the Companies Act, 2013</p> <p>ii. Approving for creation of charge on the assets of the Company under Section 180(1) (a) of the Companies Act, 2013</p> <p>iii. Approving of offer or invitation to subscribe to Non-Convertible Securities on private placement basis.</p> <p>iv. Approval for availing of the Financial Assistance having an option available to the Lenders for conversion of such Financial Assistance into Equity Shares of the Company upon occurrence of certain events.</p>

F.Y.	Meeting and Venue	Day, Date and Time	Special Resolutions passed
			v. Considering and deciding place of maintaining and keeping Register of Members & others at place other than the Registered Office of the Company

No resolution was passed through Postal Ballot during the Financial Year 2016-17.

Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

VII. SUBSIDIARY COMPANIES:

BVM Overseas Limited has become unlisted Indian subsidiary company in the current financial year.

The financial statements, in particular the investments made by the unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company, the minutes of the meetings of subsidiary companies are placed before the Company's Board regularly.

The Board of Directors also reviews statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies.

The policy for determining Material Subsidiary as approved by the Board may be accessed on the Company's website at the link: http://sintex.in.cp-50.webhostbox.net/wp-content/uploads/2016/07/material_subsidary_policy.pdf

VIII. OTHER DISCLOSURES:

(i) Disclosure on materially significant related party transactions:

No transactions of material nature have been entered into by your Company with any related parties as per Accounting Standard that may have any potential conflict with the interests of your Company. The related party transactions have been disclosed under Note No. 41 forming part of the financial statements.

The Audit Committee reviewed the related party transactions undertaken by the Company in the ordinary course of business.

(ii) Details of non-compliance by the Company:

There were no instances of non-compliance by the Company on any matters relate to various capital markets or penalties imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last 3 financial years

(iii) Code of Conduct:

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management Personnel of the Company which is also posted on the website of the Company.

Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

(iv) CEO and CFO Certification:

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI Regulations.

(V) Code of Conduct for Prevention of Insider Trading:

Code of Conduct for Prevention of Insider Trading, as approved by the Board of Directors, inter alia, prohibits purchase / sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

(Vi) Compliance with the Mandatory Requirements of the SEBI Regulations:

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under the SEBI Regulations and has also updated its website under Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. It has obtained a certificate affirming the compliances from Messrs M. C. Gupta & Co., a firm of company secretaries in practice, the Company's Secretarial Auditors and the same is attached to this Report.

(Vii) Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism in line with the requirements under the Act and the SEBI Regulations:

- For employees to report concerns about unethical behavior;
- To establish a mechanism to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Integrity Policy; and
- To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment and direct access to the Chairperson of the Audit Committee in exceptional cases. The Policy also ensures that strict confidentiality is maintained whilst dealing with

concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

No personnel/ person has been denied access to the Audit Committee. During the year under review, there were no cases pertaining to Whistle Blower Policy.

(viii) The Related Party Policy approved by the Board of Directors is uploaded on the Company's website at the link http://sintex.in.cp-50.webhostbox.net/wp-content/uploads/2016/07/Related_party_transaction_policy.pdf

(ix) The Pursuant to regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board approved a Dividend Distribution Policy at its meeting held on July 28, 2016. The policy details various considerations based on which the Board may recommend or declare Dividend, current dividend track record, usage of retained earnings for corporate actions, etc. The policy is available on the Company's website at http://sintex.in/wp-content/uploads/2016/11/Dividend_Distribution_Policy.pdf

(x) The Company has not engaged in any activity involving commodity price risks or foreign exchange risk and hedging.

(xi) Others:

The Company has a comprehensive and integrated risk management framework to effectively deal with uncertainty and associated risks and enhances the organisation's capacity to build value. The Risk Management framework of the Company has been designed with an objective to develop a risk culture that encourages identifying risks and responding to them with appropriate actions.

IX. MEANS OF COMMUNICATION:

- (i) Financial Results: The annual, half yearly and quarterly results are published in Financial Express (Gujarati) (Ahmedabad Edition), Financial Express (English) (All Editions), Business Standard (All Edition) and The Economic Times (All Edition).
- (ii) All quarterly results are also posted on our website - www.sintex.in
- (iii) The company's website www.sintex.in contains a separate dedicated Section Investor Relation' where shareholder information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable from.
- (iv) The management discussion and analysis report is attached with the Directors' Report in this Annual Report.
- (v) Press Releases made by the Company from time to time are also displayed on the Company's website- www.sintex.in .
- (vi) Corporate presentations made to institutional investors or to analysts are posted on the Company's website- www.sintex.in .

X. GENERAL SHAREHOLDER INFORMATION:
1. 86th Annual General Meeting

Day, date and time	Thursday, September 14, 2017 10:30 A.M.
Venue	Sintex Industries Limited Registered Office: Kalol – 382 721 (N.G.), Dist. Gandhinagar, Gujarat, India
Book closure dates	September 6, 2017 to September 14, 2017
Dividend payment date	On or after September 18, 2017

2. Financial Calendar

The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2017-18, Financial Results will be announced as per the following tentative schedule:

1st quarter ending on 30th June, 2017	Not Applicable
2nd quarter ending on 30th September, 2017	2nd week of October, 2017
3rd quarter ending on 31st December, 2017	2nd week of January, 2018
Year ending on 31st March, 2018	1st week of May, 2018

Listing on Stock Exchanges (As on 31st March, 2017):

Stock Exchanges /Type of Instruments/ Stock Code	Address	Telephone No.
BSE Limited (BSE) Equity Shares *Equity – 502742	25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001	022 – 22721233/34
National Stock Exchange of India Ltd. (NSE) Equity Shares * Equity – Sintex EQ	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	022 – 26598235/36 022 – 26598346
Singapore Exchange Securities Trading Limited Foreign Currency Convertible Bonds ("FCCB") ISIN: XS1414094927 Stock Code: SINTEX IND US\$110M7%CB220525	2 Shenton Way # 19 – 00 SGX Center 1 Singapore 068804	00 65-6236 8888

Stock Exchanges /Type of Instruments/ Stock Code	Address	Telephone No.
BSE Limited Secured Redeemable Non-Convertible Debentures ("NCD's") 946041 - ₹ 250 Cr. 954055 - ₹ 200 Cr. 952870 - ₹ 500 Cr. 950353 - ₹ 225 Cr. 951037 - ₹ 275 Cr.	25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001	022 – 22721233/34

*Stock code

International Securities Identification Number (ISIN)

ISIN is an identification number for traded shares. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Your Company's ISIN number for its equity shares is INE429C01035.

Payment of Listing Fees and Depository Fees

Annual listing fee for the year 2017-18 has been paid by the Company to BSE and NSE. Annual Custody/Issuer fee for the year 2017-18 has been paid by the Company to NSDL and CDSL.

3. Location of the depositories

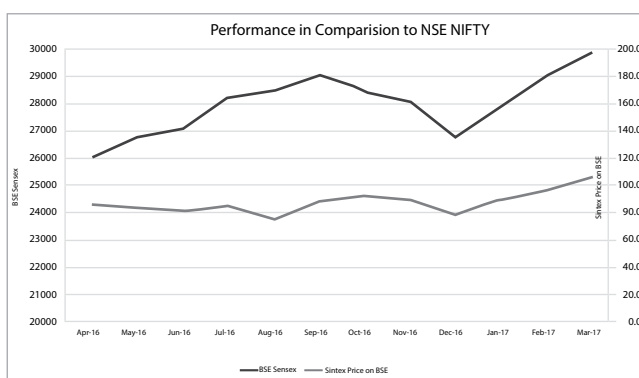
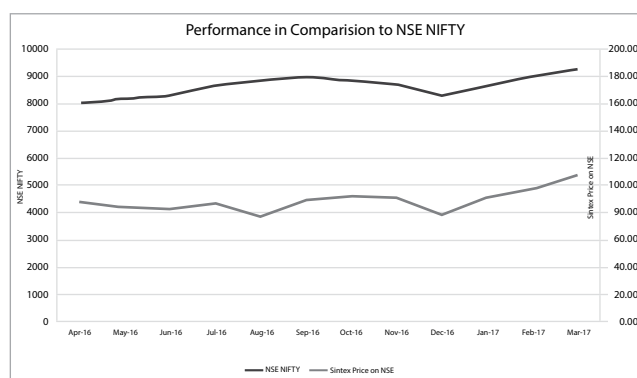
Depository	Address	Telephone No.
National Securities Depository Ltd. (NSDL)	Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013	022 – 24994200
Central Depository Services (India) Limited (CDSL)	Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai – 400 001	022 - 2272 3333

4. Market Price Data

The share price data of the Company from 1st April, 2016 to 31st March, 2017 as compared to BSE SENSEX and CNX Nifty are as follows:

Month	BSE Limited				National Stock Exchange of India Ltd.			
	Share Price		SENSEX		Share Price		CNX Nifty	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2016	87.15	76.00	26100.54	24523.20	87.25	75.85	7992.00	7516.85
May, 2016	84.50	72.50	26837.20	25057.93	84.40	72.50	8213.60	7678.35
June, 2016	82.95	72.15	27105.41	25911.33	83.00	72.20	8308.15	7927.05
July, 2016	86.30	76.35	28240.20	27034.14	86.30	76.15	8674.70	8287.55
August, 2016	77.30	70.00	28532.25	27627.97	77.35	70.50	8819.20	8518.15
September, 2016	88.95	71.25	29077.28	27716.78	89.00	71.10	8968.70	8555.20
October, 2016	91.80	78.20	28477.65	27488.30	91.70	78.30	8806.95	8506.15
November, 2016	91.00	70.35	28029.80	25717.93	91.05	70.30	8669.60	7916.40
December, 2016	78.50	70.40	26803.76	25753.74	78.60	70.50	8274.95	7893.80
January, 2017	91.00	74.10	27980.39	26447.06	91.15	74.05	8672.70	8133.80
February, 2017	97.60	83.05	29065.31	27590.10	97.65	83.00	8982.15	8537.50
March, 2017	106.85	93.50	29824.62	28716.21	106.75	93.45	9218.40	8860.10

5. Performance in comparison to broad based indices such as BSE SENSEX, CRISIL index, etc.



6. Distribution of Shareholding as on March 31, 2017:

No. of Shares held (Face Value of ₹1/- each)	Shareholders		Shares	
	Number	% of total	Number	% of total
Up to 5000	208536	98.09	80046302	14.70
5001 – 10000	2112	0.99	15242798	2.80
10001 – 15000	951	0.45	13561531	2.49
15001 – 20000	306	0.14	7572977	1.39
20001 – 25000	125	0.06	4754135	0.87
25001 – 50000	94	0.04	4334296	0.80
50001 & Above	461	0.22	419183915	76.96
Total	212585	100.00	544695954	100.00

7. Categories of Shareholders as on March 31, 2017:

Category	No. of Shares held	% of Shares held	No. of Shareholders	% of Shares Holders
Promoters Holding	169981127	31.21	15	0.01
Residential Individuals	129658929	23.80	202314	95.17
Financial Institutions/Banks	6240637	1.15	26	0.01

Category	No. of Shares held	% of Shares held	No. of Shareholders	% of Shares Holders
Mutual Funds	30624129	5.62	27	0.01
NRIs /Foreign Nationals	5849747	1.07	3222	1.52
FIIS/FPI/Foreign Company	160421899	29.45	137	0.06
Domestic Companies/ Bodies Corporate	28977323	5.32	1475	0.69
Trusts/Clearing Members/Others	12942163	2.38	5369	2.53
TOTAL	544695954	100.00	212585	100.00

8. Dematerialization of Shares:

The Shares of Sintex Industries Ltd are compulsorily traded in dematerialized form. A total number of 52,39,99,324 Equity Shares of the Company constituting about 96.20% of the subscribed and paid-up share capital were in dematerialized form as on March 31, 2017. The Company's Equity Shares are frequently traded on BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

9. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

(a) Issue of Foreign Currency Convertible Bonds (FCCBs):

During the year, the Company has raised USD 110 million step down foreign currency convertible bonds (FCCBs) due 2022. The bondholders are entitled to apply for equity shares at a price of ₹92.16 (reset pursuant to meeting of FCCB Committee of the Board of Directors on 14th September, 2016) per share with a fixed rate of exchange on conversion of ₹67.4463 to USD 1. Outstanding FCCBs pending for conversion as on 31st March, 2017 is USD 81.00 Million. After conversion of aforesaid FCCBs, paid up capital of the Company will increase by 5,92,78,978 equity shares of ₹1/- each amounting to ₹5.92 Crores.

10. Registrar and Share Transfer Agent (RTA):

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. M/s. Link Intime India Pvt Ltd. Link Intime India Private Limited
5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006.
Tel: 079 - 2646 5179, 079-3000 2684/85,
E-mail: ahmedabad@linkintime.co.in

11. Share Transfer System:

Pursuant to Regulation 39(2) of SEBI Regulations, Share transfer requests received in physical form are registered and certificate delivered within 15 days from the date of receipt, subject to documents being valid and complete in all respect and Demat requests are normally confirmed within an average of 10 days from the date of receipt.

12. Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carried out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited

(NSDL) and the Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report mentions that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL, as depositories.

13. Plant Locations:

The Company's textile plant is located at Kalol (N.G.) and Lunsapur (Gujarat).

XI. ADDRESS FOR CORRESPONDENCE

All Communications may be sent to Mr. Hitesh Mehta, Company Secretary at the following address:

Sintex Industries Limited

Kalol (N.G.) 382721, Gujarat, India
Phone: 02764-253100, 222868
E-mail: share@sintex.co.in

XII. NAME AND CONTACT DETAILS OF DEBENTURE TRUSTEES:

Vistra ITCL (India) Limited
(Formerly known as IL&FS Trust Company Limited)
The IL&FS Financial Center
Plot No. C-22, G Block, 7th Floor
Bandra Kurla Complex
Bandra (East), Mumbai 400051
Tel: +91 22 2659 3535
Fax : +91 22 2653 3297
Email: mumbai@vistra.com
Website : https://vistratcl.com

Declaration:

It is hereby declared that the Company has obtained affirmation from all the Members of the Board and Senior Management personnel that they have complied with the "Code of Conduct and Ethics for Board Members and Senior Management" for the year ended on 31st March 2017.

Place: Ahmedabad
Date: July 31, 2017

Amit D. Patel
Managing Director
(DIN: 00171035)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of

Sintex Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Sintex Limited ("the Company"), for the year ended on 31st March 2017, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause and applicable Regulations. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

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

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

For M. C. GUPTA & CO.,
Company Secretaries
UCN: S1986GJ003400

Place : Ahmedabad

Date : July 31, 2017

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP: 1028)

CERTIFICATION BY

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

pursuant to Clause 17(8) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

This is to certify to Board that-

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and We have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which We are aware and the steps We have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

- (1) significant changes in internal control over financial reporting during the year;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) instances of significant fraud of which We have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Sintex Industries Limited For Sintex Industries Limited

Amit D. Patel
Managing Director (Group)
(DIN: 00171035)

Place: Ahmedabad
Date: May 19, 2017

Prashant D. Shah
Head – Accounts & Audit and CFO

FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT

The Members of
SINTEX INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **SINTEX INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flow and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and

other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs of the Company as at 31st March, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter:

The comparative Financial information of the Company for the year ended on 31st March, 2016 and the transition date opening balance sheet as at 1st April, 2015 included in these standalone financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 7th June, 2016 and 7th May, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind As have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditors' Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure A" a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations as at 31st March, 2017 on its financial position in its standalone Ind AS financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For SHAH & SHAH ASSOCIATES
Chartered Accountants
 FRN:113742W

VASANT C.TANNA
PARTNER
 Membership Number: 100422

Place : Ahmedabad
 Date : 19th May, 2017

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2017):

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the title deeds/lease deeds and other records examined by us, we report that the title deeds/lease deeds in respect of all the immovable properties of land which are freehold, immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statement and buildings are held in the name of the Company except in respect of freehold lands aggregating to ₹116.05 crores acquired during the year for which documents are yet to be executed in favor of the Company.
2. As explained to us, physical verification of the inventories except stocks lying with third parties, have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. For stocks lying with third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, providing guarantees and securities, as applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Sub-section (1) of Section 148 of the Act applicable in respect of activities undertaken by the Company and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the Information and explanations given to us, in respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2017 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.
8. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution, banks and debenture holders.
9. In our opinion and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained other than temporary deployment pending application. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under review.
10. Based upon the audit procedures performed and as per the information and explanations given to us, we report that, no fraud on or by the Company has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, managerial remuneration has been

paid or provided in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.

12. In our opinion, Company is not a Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with them and covered under Section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.

16. To the best of our knowledge and as explained, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934.

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN:113742W

VASANT C.TANNA
PARTNER

Place : Ahmedabad
Date : 19th May, 2017

Membership Number: 100422

“Annexure B” to the Independent Auditor’s Report

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of SINTEX INDUSTRIES LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal

financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the

Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN:113742W

VASANT C.TANNA
PARTNER

Membership Number: 100422

Place : Ahmedabad
Date : 19th May, 2017

Balance Sheet

as at March 31, 2017

(₹ in crores)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
I ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	4	3,761.09	6,395.86	4,052.92
(b) Capital work-in-progress		2,493.23	172.05	199.92
(c) Other intangible assets	5	0.68	1.82	1.84
(d) Financial assets				
(i) Investments	7	16.19	339.89	1,009.67
(ii) Loans	8	5.47	120.89	273.06
(iii) Other financial assets	9	-	46.57	37.10
(e) Other non-current assets	10	228.16	828.23	1,199.30
(f) Other tax assets (net)		-	0.39	-
Total non-current assets		6,504.82	7,905.70	6,773.81
Current assets				
(a) Inventories	11	205.06	181.04	162.52
(b) Financial assets				
(i) Investments	12	18.43	17.51	17.40
(ii) Trade receivables	13	478.09	1,540.54	1,444.26
(iii) Cash and cash equivalents	14	633.20	490.04	335.23
(iv) Bank balances other than (iii) above	15	70.91	30.45	1.28
(v) Loans	16	427.83	107.01	126.16
(c) Other current assets	17	99.91	375.66	84.31
Total current assets		1,933.43	2,742.25	2,171.16
TOTAL ASSETS		8,438.25	10,647.95	8,944.97
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	18	54.47	44.66	42.44
(b) Other equity	19	3,851.98	4,879.68	4,240.56
Total equity		3,906.45	4,924.34	4,283.00
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
Borrowings	20	3,637.64	3,876.65	2,650.63
(b) Provisions	21	13.18	20.16	16.50
(c) Deferred tax liabilities (net)	22	85.51	205.62	201.65
Total non-current liabilities		3,736.33	4,102.43	2,868.78
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	318.17	651.31	731.06
(ii) Trade payables	24	198.40	294.92	232.21
(iii) Other financial liabilities	25	254.34	604.77	767.16
(b) Other current liabilities	26	16.86	66.37	56.73
(c) Provisions	27	3.26	3.81	3.38
(d) Current tax liabilities (net)	28	4.44	-	2.65
Total current liabilities		795.47	1,621.18	1,793.19
Total liabilities		4,531.80	5,723.61	4,661.97
TOTAL EQUITY & LIABILITIES		8,438.25	10,647.95	8,944.97
See accompanying notes 1 to 54 to the financial statements				

In terms of our Report attached

For Shah & Shah AssociatesChartered Accountants
(FRN 113742W)**Vasant C. Tanna**

Partner

Membership No: 100422

Ahmedabad

Date : May 19, 2017

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman

(DIN : 00171089)

Arun P. Patel, Vice Chairman

(DIN : 00830809)

Rahul A. Patel, Managing Director (Group)

(DIN : 00171198)

Amit D. Patel, Managing Director (Group)

(DIN : 00171035)

S. B. Dangayach, Managing Director

(DIN : 01572754)

Ahmedabad

Date : May 19, 2017

Ramnikbhai H. Ambani, Director

(Din : 00004785)

Ashwin Lalbhal Shah, Director

(DIN : 00171364)

Narendra Kumar Bansal, Director

(DIN : 03086069)

Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head- Accounts, Audit & CFO

Statement of Profit and Loss for the year ended March 31, 2017

(₹ in crores)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I Revenue from operations	29	1,430.45	914.96
II Other income	30	83.71	75.94
III Total Income (I + II)		1,514.16	990.90
Expenses:			
a) Cost of materials consumed	31	916.35	530.17
b) Purchases of stock-in-trade	32	-	27.60
c) Changes in inventories of finished goods and work-in- progress	33	(25.11)	0.80
d) Employee benefits expense	34	95.92	60.91
e) Finance costs	35	89.75	67.86
f) Depreciation and amortisation expense	6	132.22	72.53
g) Other expenses	36	173.83	89.56
IV Total expenses		1,382.96	849.43
V Profit before tax from continuing operations (III- IV)		131.20	141.47
VI Tax expense:			
a) Current tax		24.64	6.32
b) Short Provision for tax of earlier years		2.25	-
b) Deferred tax charge/(credit)		(23.17)	24.83
		3.72	31.15
VII Profit after tax from continuing operations (V-VI)		127.48	110.32
VIII Profit from discontinued operations before tax		-	573.76
IX Tax expense of discontinued operations		-	134.13
X Profit from discontinued operations after tax (VIII-IX)		-	439.63
XI Profit for the year (VII+X)		127.48	549.95
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(a) Equity instruments through other comprehensive income		1.04	(5.08)
(b) Remeasurement of the defined benefit plans		0.08	(1.63)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.03)	0.56
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XII Other comprehensive income/(loss) for the year (A (i+ii)+B(i+ii))		1.09	(6.15)
XIII Total comprehensive income for the year (XI+XII)		128.57	543.80
XIV Earnings per equity share (for continuing operations) (Face Value of ₹1 each)	47		
a) Basic (in ₹)		2.62	2.50
b) Diluted (in ₹)		2.62	2.50
Earnings per equity share (for discontinued operations) (Face Value of ₹1 each)	47		
a) Basic (in ₹)		-	9.95
b) Diluted (in ₹)		-	9.95
Earnings per equity share (for continuing & discontinued operations) (Face Value of ₹1 each)	47		
a) Basic (in ₹)		2.62	12.45
b) Diluted (in ₹)		2.62	12.45
See accompanying notes 1 to 54 to the financial statements			

In terms of our Report attached

For Shah & Shah Associates

Chartered Accountants
(FRN 113742W)

Vasant C. Tanna

Partner

Membership No: 100422

Ahmedabad

Date : May 19, 2017

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(DIN : 00830809)

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Ahmedabad

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(DIN : 03086069)

Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head- Accounts, Audit & CFO

Statement of cash flows for the year ended March 31, 2017

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash flow from operating activities		
Net profit before tax	131.20	715.23
Adjustments for:		
Profit on sale of investments	(0.87)	(6.43)
Fair value (gain)/loss	(1.82)	-
Unrealised foreign exchange (gain)/loss (Net)	-	(20.08)
Exceptional items	-	5.68
Interest income	(30.64)	(78.89)
Dividend income	-	*
Depreciation and amortisation expenses	132.22	183.35
Finance cost	89.75	210.96
Provision for doubtful debts	-	5.42
Loss/(gain) on sale/ impairment of property, plant and equipment	0.07	6.92
Operating profit before working capital changes	319.91	1,022.16
Adjustments for increase/decrease in Operating Assets/ Liabilities:		
Trade receivables, loans and other assets	142.41	(402.44)
Inventories	(140.77)	(18.52)
Trade payables, other liabilities and provisions	387.79	83.72
Cash generated from operations	709.34	684.92
Direct taxes paid (Net)	(88.96)	(154.28)
Net cash generated from operations (A)	620.38	530.64
B. Cash flow from investing activities		
Purchase of property, plant and equipment/addition to capital-work-in progress	(2,719.29)	(1,928.34)
Sale of fixed assets	0.87	0.85
Loans given/received back from subsidiaries	-	153.60
(Purchase)/sale of current investments	0.89	6.29
(Purchase)/sale of non-current investments	(3.95)	666.54
Interest received	30.64	101.43
Dividend received	-	*
Bank deposits placed	(40.46)	(29.17)
Net cash used in investing activities (B)	(2,731.30)	(1,028.80)
C. Cash flow from financing activities		
Proceeds from share capital	688.04	-
Proceeds from ESOP Trust	-	8.80
Proceeds from long term borrowings	1,537.15	1,654.27
Repayments from long term borrowings	(60.06)	(532.56)
Net increase/(decrease) in working capital borrowings	234.26	(79.76)
Finance cost	(89.75)	(359.99)
Dividend paid	(37.62)	(37.52)
Net cash used in financing activities (C)	2,272.02	653.24
Net increase/(decrease) in cash and cash equivalents (A+B+C)	161.10	155.08
Cash and cash equivalents at the beginning of the year	490.04	335.23
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	-	(0.27)
Transfer due to demerger scheme	(17.94)	-
Cash and cash equivalents at the end of the year	633.20	490.04

* Figures represent by * are less than ₹50,000

In terms of our Report attached

For Shah & Shah Associates
Chartered Accountants
(FRN 113742W)

Vasant C. Tanna
Partner
Membership No: 100422

Ahmedabad
Date : May 19, 2017

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman
(DIN : 00171089)
Arun P. Patel, Vice Chairman
(DIN : 00830809)
Rahul A. Patel, Managing Director (Group)
(DIN : 00171198)
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(DIN : 01572754)

Ahmedabad
Date : May 19, 2017

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Rajesh B. Parikh, Director
(DIN : 00171231)

Hitesh T. Mehta
Company Secretary
Prashant D. Shah
Head- Accounts, Audit & CFO

Statement of changes in equity

for the year ended March 31, 2017

A. Equity share capital

Particular	(₹ in crores)
Balance as at April 01, 2015	42.44
Changes in equity share capital during the year	2.22
Balance as at March 31, 2016	44.66
Changes in equity share capital during the year	9.81
Balance as at March 31, 2017	54.47

B. Other equity

Particulars	Reserves and surplus							Item of Other Comprehensive income			Total	
	Capital reserve	Capital redemption reserve	Securities premium reserve	Debt redemption reserve	Employee Stock options outstanding account	Foreign currency monetary items translation difference account	Equity component of compound financial instruments (FCCBs)	General reserve	Retained earnings	Equity Instruments through other comprehensive income		Remeasurement of net defined benefit plan
Balance as at April 01, 2015	47.80	15.05	1,549.05	167.10	29.41	(6.35)	14.19	311.18	2,109.24	3.89	-	4,240.56
Profit for the year	-	-	-	-	-	-	-	-	549.95	-	-	549.95
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	-	-	(5.08)	(1.07)	(6.15)
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-	-	-	549.95	(5.08)	(1.07)	543.80
Recognition of share-based payments	-	-	-	-	(25.46)	-	-	-	-	-	-	(25.46)
Transfer to debt redemption reserve	-	-	-	40.42	-	-	-	-	(40.42)	-	-	-
Transfer to general reserve	-	-	-	(87.50)	(3.76)	-	-	137.26	(46.00)	-	-	-
Transfer to Equity share capital	-	-	-	-	(0.19)	-	-	-	-	-	-	(0.19)
Amount recovered from ESOP Trust	-	-	34.26	-	-	-	-	-	-	-	-	34.26
Foreign exchange variations during the year	-	-	-	-	-	6.35	-	-	-	-	-	6.35
Conversion of Foreign currency convertible bonds into equity shares	-	-	130.71	-	-	-	(14.19)	-	0.37	-	-	116.89
Payment of dividends (including tax on dividends)	-	-	-	-	-	-	-	-	(36.53)	-	-	(36.53)
Balance as at March 31, 2016	47.80	15.05	1,714.02	120.02	-	-	-	448.44	2,536.61	(1.19)	(1.07)	4,879.68
Profit for the year	-	-	-	-	-	-	-	-	127.48	-	-	127.48
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	1.04	0.05	0.05	1.09
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-	-	-	127.48	1.04	0.05	128.57
Transfer on account of demerger (Refer note 38)	(47.80)	(15.05)	(1,714.02)	0.00	-	-	-	(111.13)	-	-	-	(1,883.00)
Amount received from right issue (Net of issue expenses ₹3.57 crores)	-	-	488.74	-	-	-	-	-	-	-	-	488.74
Transfer to reserve	-	-	-	(63.85)	-	-	-	91.27	(27.42)	-	-	-
Issue of FCCBs	-	-	-	-	-	-	91.12	-	-	-	-	91.12
Conversion of FCCBs	-	-	189.49	-	-	-	-	-	-	-	-	189.49
Payment of dividends	-	-	-	-	-	-	-	-	(37.62)	-	-	(37.62)
Balance as at March 31, 2017	-	-	678.23	56.17	-	-	91.12	428.58	2,599.05	(0.15)	(1.02)	3,851.98

In terms of our Report attached

For Shah & Shah Associates
Chartered Accountants
(FRN 113742W)

Vasant C. Tanna

Partner
Membership No. 100422

Ahmedabad
Date: May 19, 2017

For and on behalf of Board of Directors

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Ahmedabad

Date: May 19, 2017

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Narendra Kumar Bansal, Director

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Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head-Accounts, Audit & CFO

Effect of Ind AS adoption on the Standalone Balance sheet

as at March 31, 2016 and April 01, 2015

(₹ in crores)

Particulars	Notes	As at March 31, 2016			As at April 01, 2015		
		Previous GAAP	Effect of transition to Ind AS (Incl. Reclassification)	IND AS	Previous GAAP	Effect of transition to Ind AS (Incl. Reclassification)	IND AS
I ASSETS							
Non-current assets							
(a) Property, plant and equipment		6,395.86	-	6,395.86	4,052.92	-	4,052.92
(b) Capital work-in-progress	B, I	180.95	(8.91)	172.05	204.19	(4.27)	199.92
(c) Other intangible assets		1.82	-	1.82	1.84	-	1.84
(d) Financial assets							
(i) Investments	E, H	345.26	(5.37)	339.89	1,011.77	(2.10)	1,009.67
(ii) Loans	K	1,324.71	(1,203.82)	120.89	1,725.44	(1,452.38)	273.06
(iii) Other financial assets	K, I	-	46.57	46.57	-	37.10	37.10
(e) Other non-current assets	K	49.59	778.64	828.23	44.26	1,155.04	1,199.30
(f) Other tax assets (net)	K	-	0.39	0.39	-	-	-
Total non-current assets		8,298.19	(392.50)	7,905.70	7,040.42	(266.61)	6,773.81
Current assets							
(a) Inventories		181.04	-	181.04	162.52	-	162.52
(b) Financial assets							
(i) Investments	F	11.93	5.58	17.51	11.83	5.57	17.40
(ii) Trade receivables	C	1,545.67	(5.13)	1,540.54	1,446.63	(2.37)	1,444.26
(iii) Cash and cash equivalents	K	520.50	(30.45)	490.04	336.51	(1.28)	335.23
(iv) Bank balances other than (iii) above	K	-	30.45	30.45	-	1.28	1.28
(v) Loans		353.70	(246.69)	107.01	100.46	25.70	126.16
(c) Other current assets		128.97	246.69	375.66	111.12	(26.81)	84.31
Total current assets		2,741.81	0.45	2,742.25	2,169.07	2.09	2,171.16
Total assets		11,040.00	(392.05)	10,647.95	9,209.49	(264.52)	8,944.97
II EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		44.66	-	44.66	42.44	-	42.44
(b) Other equity		4,846.77	32.91	4,879.68	4,190.81	49.75	4,240.56
Total equity		4,891.43	32.91	4,924.34	4,233.25	49.75	4,283.00
Liabilities							
Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings	B, J	3,886.10	(9.45)	3,876.65	2,683.41	(32.78)	2,650.63
(b) Provisions		20.15	0.01	20.16	16.49	0.01	16.50
(c) Deferred tax liabilities (Net)	D	583.52	(377.90)	205.62	447.34	(245.69)	201.65
Total non-current liabilities		4,489.77	(387.34)	4,102.43	3,147.24	(278.46)	2,868.78
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		651.31	-	651.31	731.06	-	731.06
(ii) Trade payables	K	472.29	(177.37)	294.92	377.15	(144.94)	232.21
(iii) Other financial liabilities	K	-	604.77	604.77	-	767.16	767.16
(b) Other current liabilities	K	493.77	(427.40)	66.37	678.94	(622.21)	56.73
(c) Provisions	G	41.43	(37.62)	3.81	41.85	(38.46)	3.38
(d) Current tax liabilities (Net)		-	-	-	-	2.65	2.65
Total current liabilities		1,658.80	(37.62)	1,621.18	1,829.00	(35.81)	1,793.19
Total liabilities		6,148.57	(424.96)	5,723.61	4,976.24	(314.27)	4,661.97
Total equity and liabilities		11,040.00	(392.05)	10,647.95	9,209.49	(264.52)	8,944.97

Effect of Ind AS adoption on the Statement of Profit and Loss

for the year ended March 31, 2016

(₹ in crores)

Particulars	Notes	For the year ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
I Revenue from operations	L	918.02	(3.06)	914.96
II Other income	H, F	76.84	(0.90)	75.94
III Total Income (I + II)		994.86	(3.96)	990.90
Expenses:				
a) Cost of materials consumed		530.17	-	530.17
b) Purchases of stock-in-trade		27.60	-	27.60
c) Changes in inventories of finished goods and work-in- progress		0.80	-	0.80
d) Employee benefits expense	A	61.71	(0.80)	60.91
e) Finance costs	B	66.19	1.67	67.86
f) Depreciation and amortisation expense		72.53	-	72.53
g) Other expenses	C, K, L	92.62	(3.06)	89.56
IV Total expenses		851.62	(2.19)	849.43
V Profit before tax (III-IV)		143.24	(1.77)	141.47
VI Tax expense:				
a) Current tax		6.32	-	6.32
b) Short Provision for tax of earlier years		-	-	-
b) Deferred tax	D	26.58	(1.75)	24.83
		32.90	(1.75)	31.15
VII Profit for the year from continuing operations (V-VI)		110.34	(0.02)	110.32
VIII Profit from discontinued operations before tax		574.16	(0.40)	573.76
IX Tax expense of discontinued operations		134.90	(0.77)	134.13
X Profit from discontinued operations after tax (VIII-IX)		439.26	0.37	439.63
XI Profit for the year (VII+X)		549.61	0.35	549.95
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss	A, E	-	(6.71)	(6.71)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	0.56	0.56
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
XII Total other comprehensive income (A (i-ii)+B(i-ii))		-	(6.15)	(6.15)
XIII Total comprehensive income for the period (XI+XII)		549.61	(5.81)	543.80

Reconciliation of total comprehensive income

for the year ended March 31, 2016

(₹ in crores)

Particulars	Notes	For the year ended March 31, 2016
Profit for the period (as per Indian GAAP)		549.61
Ind-AS adjustments		
<u>Benefit/(Charge):</u>		
Recognition of expected credit losses	C	(2.76)
Impact on finance cost due to interest calculation as per effective interest method	B	(1.94)
Actuarial gain/loss on employee benefits classified to OCI	A	1.63
Impact due to change in fair value of investments in financial instruments	F, H	1.81
Deferred tax on Ind-AS adjustment	D	2.51
Others		(0.91)
Net Profit for the period (as per Ind-AS)		549.95
<u>Other Comprehensive Income (OCI) (after tax)</u>		
Effect of measuring equity instruments at fair value through OCI	E	(5.08)
Actuarial gain/loss on employee benefits classified to OCI	A	(1.63)
Deferred tax on OCI adjustment	D	0.56
Total Comprehensive Income for the period (as per Ind-AS)		543.80

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015

(₹ in crores)

Particulars	Notes	As at March 31, 2016	As at April 01, 2015
Total equity (shareholders' funds) under previous GAAP		4,891.43	4,233.25
Fair valuation of investments under Ind AS	E, F	4.38	9.46
Dividends not recognised as liability until declared under Ind AS	G	37.62	35.82
Provisions recognised for expected credit losses under Ind AS	C	(5.13)	(2.37)
Impact on finance cost under Ind AS under effective interest rate method	B	(2.48)	(0.91)
Impact due to change in fair value of investments in financial instruments	H	(4.18)	(5.99)
Recognition of deferred taxes using the balance sheet approach under Ind AS	D	2.70	(7.38)
Foreign currency convertible bonds classified as a equity under Ind AS	J	-	20.23
Others		-	0.89
Total		4,924.34	4,283.00

Notes to the Financial Statements for the year ended March 31, 2017

Notes to the reconciliations

A Defined benefit obligation

Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined liability/ asset which is recognised in other comprehensive income. The actuarial losses for the year ended March 31, 2016 were ₹1.63 crore. This change does not affect total equity, but there is increase in profit before tax of ₹1.63 crore.

B Borrowings classified at amortised cost

Foreign currency convertible bonds issued and terms loans from banks and financial institution are carried at amortised cost under Ind AS and the interest expense has been recognised based on effective interest method.

C Expected credit loss

Under previous GAAP, the Company had created provision for impairment of trade receivables consisting only specific amounts for incurred loss. Under Ind AS, impairment allowance has been determined based on expected credit loss model (ECL). Due to this model, the Company impaired its trade receivables by ₹2.76 crores for the year ended as on March 31, 2016 (As at April 1, 2015 - ₹2.37 crores), which has been recognised in other expenses of ₹2.76 crores for the year ended March 31, 2016 (As at April 1, 2016 - ₹2.37 crores) and in retained earnings for the year ended as on April 01, 2016 and impact on deferred tax effect thereon of ₹0.95 crore (As at April 1, 2015 - ₹0.82 crore). The impairment of ₹2.76 crore (As at April 1, 2015 - ₹2.37 crores) and tax there on of ₹0.95 crore for the year ended March 31, 2016 has been recognised in the Statement of Profit and Loss.

D Impact on deferred tax

This includes the deferred tax impact on the Ind AS adjustments passed.

E Non-current investments classified as FVTOCI

Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is lower than the cost as per previous GAAP, resulting in a decrease in carrying amount by ₹5.08 crore as at March 31, 2016 (As at April 1, 2015 - ₹3.89 crore). These changes do not affect profit before tax for the year ended March 31, 2016 because the changes in fair value are recognised in OCI.

F Current investments classified as FVTPL

Under previous GAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are recognised in statement of profit or loss. On transition to Ind AS, these financial assets have been measured at their fair values which is higher than cost as per previous GAAP, resulting in an increase in carrying amount by ₹5.58 crore as at March 31, 2016 and by ₹5.57 crore as at April 1, 2015. The corresponding deferred taxes have also been recognised as at March 31, 2016 (₹1.93 crore) and as at April 1, 2015 (₹1.93 crore) and also for the year ended March 31, 2016. The net effect of these changes is an increase in total equity as at March 31, 2016 of ₹3.64 crore (As at April 1, 2015 - ₹3.65 crore), increase in profit before tax of ₹0.01 crore and in total profit for the year ended March 31, 2016 of ₹0.01 crore.

G Proposed dividend

Under previous GAAP, dividends on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements were approved for issue were recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when declared by the members in a general meeting. The effect of this change is an increase in total equity as at March 31, 2016 of ₹37.62 crore (As at April 1, 2015 - ₹35.82 crore), but does not affect profit before tax and total profit for the year ended March 31, 2016.

H Non-current investments in preference shares classified as FVTPL

Under previous GAAP, non-current investments in preference shares were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTPL. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is lower than the cost as per previous GAAP, resulting in a decrease in carrying amount by ₹4.18 crore and ₹5.99 crore as at March 31, 2016 and April 1, 2015 respectively. The corresponding deferred taxes have also been recognised at ₹1.45 crores and ₹2.07 crores as at March 31, 2016 and March 31, 2015 respectively. The net effect of these changes is an increase in total equity as at March 31, 2016 of ₹2.82 crore (decrease in total equity as at April 1, 2015 - ₹3.92 crore), increase in profit before tax of ₹4.31 crore and in total profit for the year ended March 31, 2016 of ₹2.82 crore.

Notes to the Financial Statements for the year ended March 31, 2017

I Other financial assets classified as FVTPL

Under previous GAAP, other financial assets (Derivatives) were measured at cost. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are capitalised to Capital work-in-progress. On transitioning to Ind AS, these financial assets have been measured at their fair values which is lower than cost as per previous GAAP, resulting in a decrease in carrying amount by ₹3.02 crore as at March 31, 2016 and by ₹3.12 crore as at April 1, 2015. Since the decrease in cost is capitalised to capital work in progress, the change does not effect profit before tax, total profit and total equity.

J FCCB bifurcation in equity and liability

The Company had taken loan by issue of foreign currency convertible bonds (FCCBs) into equity in earlier years, having outstanding amount of ₹151.14 crore as on April 1, 2015. Under Ind AS, these FCCBs were bifurcated into loan and equity component based on discounted cash flow method hence under Ind AS, the portion of equity would be accounted for as other equity reserves and unwinding interest on FCCBs as on transition date has been adjusted in opening retained earnings.

K Reclassification

In the preparation of these Ind-AS Financial Statements, the Company has made several presentation differences between previous GAAP and Ind- AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind- AS at the date of transition. Further, in these Financial Statements some line items are described differently under Ind AS compared to previous GAAP, although the assets and liabilities included in these line items are unaffected.

L Excise duty and sales commission

Under Indian GAAP, the Company accounted the revenue net of excise duties and sales tax. As per Ind AS, any sales incentives, discounts or rebates in any form, including cash discounts given to customers will be considered as selling price reductions and accounted as reduction from revenue. Excise duty will not be netted off from revenue and shown as a part of expenses.

Notes to the Financial Statements for the year ended March 31, 2017

1. General Information

Sintex Industries Limited ("the Company") is primarily engaged in the business of manufacture and sale of yarn and structured fabrics.

Sintex Industries Limited is a public limited company incorporated in India on June 01, 1931 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is at Kalol (North Gujarat) – 382 721, India.

2. Significant Accounting policies

I. Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer the Basis of preparation and presentation below for the details of first-time adoption exemptions availed by the Company.

II. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IND AS 102, leasing transactions that are within the scope of IND AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IND AS 2 or value in use in IND AS 36.

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

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

III. Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

IV. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for the estimated customer returns, rebates and other similar allowances.

Notes to the Financial Statements for the year ended March 31, 2017

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

Export sales includes export benefits received as per the Import and Export Policy in respect of exports made under the said schemes as notified by government and recognised when there is reasonable assurance that the entity will comply with the conditions attached to them and that the benefit is received.

The Company provides warranty (refer to accounting policy on provisions) on certain products based on customer requirements for which liability is recognised at the time the product is sold.

Sale of services

Income from service rendered is recognised on accrual basis based on the terms of agreements and when services are rendered.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's 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).

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

V. Leasing

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

The Company as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

The Company as a lessee

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

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

Notes to the Financial Statements for the year ended March 31, 2017

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

VI. Foreign currency translations

The functional currency of the Company has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

The Company has decided to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP i.e. exchange differences relating to long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

VII. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

VIII. Employee Benefit

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Notes to the Financial Statements for the year ended March 31, 2017

The Company presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

IX. Share-based payment

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in the statement of profit and loss for the year.

The Company, being a first time adopter of Ind AS, has not applied Ind AS 102 "Share based payment" to equity instruments that vested before date of transition to Ind AS.

X. Taxation

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

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Notes to the Financial Statements for the year ended March 31, 2017

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 assets and liabilities 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

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

XI. 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 than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Notes to the Financial Statements for the year ended March 31, 2017

XII. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on buildings and plant & machinery on a straight-line method and in case of other tangible assets, on written-down value method over the estimated useful lives of the assets as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for plant and machinery. In respect of plant and machinery, the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The useful lives of plant and machinery has been estimated as 22 years and 30 years for different categories as technically determined.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Intangible assets are amortised over their estimated useful lives on straight line method. The amortization rates used for various intangible assets are as under:

Class of assets	Years
Technical knowhow	20 years
Software	5 years

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XIII. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

XIV. Impairment of Goodwill

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). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Notes to the Financial Statements for the year ended March 31, 2017

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

XV. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, traded goods and stores and spares are ascertained on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XVI. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

XVII. Financial Instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and 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 and Loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

- i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.
- ii) In case of investments in subsidiaries, the Company has chosen to measure its investments at deemed cost.
- iii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount

Notes to the Financial Statements for the year ended March 31, 2017

or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 13. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

c) Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI

Notes to the Financial Statements for the year ended March 31, 2017

- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- I) Trade receivables or contract revenue receivables; and
- II) All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

e) Effective interest method

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

Notes to the Financial Statements for the year ended March 31, 2017

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

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

b) Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to [share premium/other equity. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in Statement of Profit and Loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

d) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the [Statement of comprehensive income/Statement of Profit and Loss].

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

e) Derivative financial instruments

The Company has entered into forward exchange contracts or principal only swap which are in substance of forward exchange contracts to manage its exposure to foreign currency cash flows.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

Notes to the Financial Statements for the year ended March 31, 2017

f) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

XVIII. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

XIX. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares and potential common shares from outstanding stock options.

XX. Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Grants of the State and Central Government which are intended to compensate a specified percentage of the interest on borrowings are netted off against the related interest expenditure on borrowings.

Government grants whose primary condition is that Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in the period in which they become receivable.

XXI. First time adoption – mandatory exceptions, optional exemptions

a. Overall principle

The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not

Notes to the Financial Statements for the year ended March 31, 2017

permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exception and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption – mandatory exceptions and optional exemptions have been explained in detail.

b. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

c. Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

e. Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

f. Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date

3. Critical Judgements in applying accounting policies and key sources of estimation uncertainty

3.1 Critical judgements in applying accounting policies

In the course of applying the policies outlined in all notes under section 2 above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

3.2 Key sources of estimation uncertainty

i) Useful lives and residual value of property, plant and equipment

Company reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly useful lives are reviewed annually using the best information available to the Management.

ii) Fair value measurements and valuation process

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 43.

Notes to the Financial Statements for the year ended March 31, 2017

4. Property, Plant and Equipment

(₹ in crores)

Particulars	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture, fixtures and Office equipments	Vehicles	Total
Cost or deemed cost							
At April 01, 2015	295.82	0.78	178.98	3,555.87	4.67	16.8	4,052.92
Additions	58.15	-	288.73	2,179.07	5.04	7.23	2,538.22
Disposals	-	-	-	(0.85)	(0.02)	(3.80)	(4.67)
At March 31, 2016	353.97	0.78	467.71	5,734.09	9.69	20.23	6,586.47
Additions	176.28	-	0.88	187.40	2.86	2.18	369.60
Transfer on account of demerger (Refer note 38)	(60.33)	(0.78)	(117.94)	(2,800.14)	(1.11)	(5.66)	(2,985.95)
Disposals	-	-	-	(0.68)	-	(1.04)	(1.72)
At March 31, 2017	469.93	-	350.65	3,120.67	11.44	15.71	3,968.40
Accumulated depreciation and impairment							
At April 01, 2015	-	-	-	-	-	-	-
Charged to Statement of Profit and Loss during the year	-	0.07	7.65	164.96	2.33	7.84	182.85
Capitalised during the year				4.65			4.65
Impairment loss				6.24	-	-	6.24
Disposals				(0.23)	(0.02)	(2.88)	(3.13)
At March 31, 2016	-	0.07	7.65	175.62	2.31	4.96	190.61
Transfer on account of demerger (Refer note 38)	-	(0.07)	(4.17)	(108.78)	(0.35)	(0.75)	(114.12)
Charged to Statement of Profit and Loss during the year	-	-	11.62	114.87	2.08	3.50	132.07
Impairment loss	-	-	-	-	-	-	-
Disposals	-	-	-	(0.38)	-	(0.85)	(1.23)
At March 31, 2017	-	-	15.10	181.32	4.03	6.86	207.31
Net book value							
At April 01, 2015	295.82	0.78	178.98	3,555.87	4.67	16.80	4,052.92
At March 31, 2016	353.97	0.71	460.06	5,558.47	7.38	15.27	6,395.86
As at March 31, 2017	469.93	-	335.55	2,939.35	7.41	8.85	3,761.09

4.1 Impairment losses recognised in the year

The Company evaluates impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

The review led to the recognition of an impairment loss of ₹ Nil (for the year ended March 31, 2016: ₹6.24 crores) in plant and machinery which has been recognised in Statement of Profit and Loss. The management has reviewed the recoverability of the asset and has concluded that asset which were not in usable condition charged to Statement of Profit and Loss as impairment loss at their Written Down Value.

- 4.2** Addition to Fixed Assets include Capitalisation of borrowing Cost pertaining to qualifying assets of ₹99.84 crore (Previous year ₹286.80 crore) and Foreign Exchange Capitalised of ₹ Nil (Previous year ₹50.55 crore)
- 4.3** In case of freehold land capitalised during the year title deed/conveyance deed in respect of ₹116.05 crore in favour of the company is pending.
- 4.4** All the property, plant and equipments of the Company have been pledged to secure borrowings of the Company Refer note 20 and 23.

Notes to the Financial Statements for the year ended March 31, 2017

5. Other intangible assets

(₹ in crores)

Particulars	Computer software	Total
Cost		
As at April 01, 2015	1.84	1.84
Additions	0.48	0.48
As at March 31, 2016	2.32	2.32
Transfer on account of demerger (Refer note 38)	(1.71)	(1.71)
Additions	0.33	0.33
As at March 31, 2017	0.94	0.94
Accumulated amortisation and impairment		
As at April 01, 2015	-	-
Charged to Statement of Profit and Loss during the year	0.50	0.50
As at March 31, 2016	0.50	0.50
Transfer on account of demerger (Refer note 38)	(0.39)	(0.39)
Charged to Statement of Profit and Loss during the year	0.15	0.15
As at March 31, 2017	0.26	0.26
Net book value		
As at April 01, 2015	1.84	1.84
As at March 31, 2016	1.82	1.82
As at March 31, 2017	0.68	0.68

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6. Depreciation and amortisation expense

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation of Property, plant and equipment pertaining to continuing operations	132.07	72.43
Amortisation of intangible assets pertaining to continuing operations	0.15	0.10
Total depreciation and amortisation pertaining to continuing operations	132.22	72.53
Depreciation of property, plant and equipment and intangible assets pertaining to discontinued operations (Refer note 37)	-	110.82
Total depreciation and amortisation expenses	132.22	183.35

7. Investments (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
I Investments (at deemed cost)			
A. Trade, Unquoted			
(a) Investments in Equity Instruments			
Subsidiaries:			
Sintex Holdings B.V. *			
Nil (At 31st March, 2016 1,61,76,778, At 1st April, 2015 7,10,29,893) shares of Euro 1 fully paid	-	129.68	569.41
(During the previous year 5,48,53,115 shares of Euro 1 each bought back)			
Sintex Infra Projects Ltd			
Nil (At 31st March, 2016 Nil, At 1st April, 2015 20,00,000) shares of ₹10 each fully paid	-	-	147.55

Notes to the Financial Statements for the year ended March 31, 2017

7. Investments (non-current) (contd.)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Sintex-BAPL Ltd			
Nil (At 31st March, 2016 1,60,32,000, At 1st April, 2015 50,10,000) shares of ₹10 each fully paid		149.23	50.03
BVM Overseas Ltd			
45,00,000 (At March 31, 2016: 45,00,000; At 1st April 2015: NIL) shares of ₹10 each fully paid	4.50	4.50	-
Sintex Plastic Technology Limited			
Nil (At 31st March, 2016 10,000, At 1st April, 2015 NIL) shares of ₹10 each fully paid	-	0.01	-
Total investments in equity instruments at deemed cost (I)	4.50	283.42	766.99
* Transferred on account of demerger			
II At fair value through other comprehensive income			
Investment in unquoted equity instruments			
Others:			
BVM Finance Pvt Ltd			
17,38,000 (At 31st March, 2016 17,38,000, At April 1, 2015 17,38,000) shares of ₹10 each fully paid	8.54	7.50	12.58
Sintex Oil & Gas Ltd			
50,000 (At 31st March, 2016 50,000, At 1st April, 2015 50,000) shares of ₹10 each fully paid	0.05	0.05	0.05
Healwell International Ltd			
9,00,000 (At 31st March, 2016 9,00,000, At 1st April, 2015 9,00,000) shares of ₹10 each fully paid	3.00	3.00	3.00
Sixvents Power and Engineering Ltd			
13,300 (At March 31, 2016: 13,300; At 1st April, 2015: NIL) shares of ₹10 each fully paid	0.01	0.01	-
Investment in quoted equity instruments			
Dena Bank			
30,200 (At 31st March 2016 30,200, At 1st April, 2015 30,200) shares of ₹10 each fully paid	0.09	0.09	0.09
Total investments at fair value through other comprehensive income (II)	11.69	10.65	15.72
III At fair value through statement of profit and loss			
(b) Investments in Preference shares of subsidiary:			
Sintex-BAPL Ltd			
Nil (At 31st March, 2016 50,00,000, At 1st April, 2015 50,00,000) 5% cumulative redeemable preference shares of ₹100 each fully paid		45.82	44.01
Total investments in preference shares at fair value through statement of profit and loss (III)	-	45.82	44.01
IV At cost			
(c) Investments in debentures			
Nil, 7% NCD's (At 31st March, 2016 Nil, At 1st April, 2015 3,659) of Khadayata Decor Ltd of face value of ₹5,00,000 each (Refer Note below)		-	182.95
Total investments at amortised cost (IV)	-	-	182.95
Total (I+II+III+IV)	16.19	339.89	1,009.67
Aggregate book value of quoted investments	0.09	0.09	0.09
Aggregate market value of quoted investments	0.09	0.09	0.15
Aggregate carrying value of unquoted investments	16.10	339.80	1,009.58
Aggregate amount of impairment in value of investments	16.10	339.80	1,009.58

Note: Debentures are secured against assets of Khadayata Decor Limited and is guaranteed by a promoter group company.

Notes to the Financial Statements for the year ended March 31, 2017

8. Loans (non-current) (Unsecured, considered good)

(₹ in crores)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Security deposits and earnest money deposits	5.47	7.03	5.60
(b) Loans to related parties	-	113.86	267.46
Total	5.47	120.89	273.06

A) Loans and Advances in the nature of Loans given to Subsidiaries

(₹ in crores)			
Name of the Company and Relationship	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Sintex Infra Projects Limited - Step Down Subsidiary *	-	103.36	155.40
Sintex-BAPL Limited - Wholly Owned Subsidiary ** (till 28th September, 2016)	-	10.50	112.06

* Maximum Balance during the year ended 31-3-2017 ₹ Nil (31-3-2016 ₹332.71 crore, 31-3-2015 ₹271.97 crore)

** Maximum Balance during the year ended 31-3-2017 ₹ Nil (31-3-2016 ₹204.66 crore, 31-3-2015 ₹112.06 crore)

B) Investment by the Loanee in the Shares of the Company

None of the Loanees and Loanees of subsidiary companies have, per se, made investments in shares of the Company

C) The above loans have been given for business purposes and have been utilised for the same.

9. Other financial assets (non-current)

(₹ in crores)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Foreign currency forward contracts not designated in hedge accounting relationships	-	46.57	37.10
Total	-	46.57	37.10

10. Other non-current assets

(₹ in crores)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Capital advances	224.12	824.19	1,195.26
(b) Service tax paid under protest	4.04	4.04	4.04
Total	228.16	828.23	1,199.30

11. Inventories (At lower of cost and net realisable value)

(₹ in crores)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Raw materials	128.60	39.75	26.79
(b) Work-in-progress	33.48	50.85	50.42
(c) Finished goods	39.17	82.28	77.36
(d) Stores and spares	3.81	8.16	7.95
Total	205.06	181.04	162.52

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹926.07 crores (for the year ended March 31, 2016: ₹596.46 crores).

The cost of inventories recognised as an expense in respect of continuing operation includes ₹ Nil (during financial year 2015-16: ₹0.10 crores) towards write down of inventory to net realizable value.

Notes to the Financial Statements for the year ended March 31, 2017

12. Investments

Particulars	Face Value (in ₹)	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
		No. of Units	(₹ in Crores)	No. of Units	(₹ in Crores)	No. of Units	(₹ in Crores)
Current Investments at fair value through statement of profit and loss							
Non- Trade, Unquoted							
Investments in Mutual funds							
Templeton India Short Term Income Plan Inst.-G	1000	18,728	5.20	18728	4.66	18728	4.38
Templeton India Income Opp. Fund- G	10	46,75,563	8.91	4675563	8.01	4675563	7.54
Templeton India Law Duration Fund - G	10	16,21,863	2.99	1621863	2.72	1621863	2.49
Principal Assets Allocation Fund Conservative Plan - RSPG	10	11,83,727	1.33	2000000	2.02	-	-
Kotak FMP Series- 111	10			79970	0.10	79970	0.09
Birla Sunlife STP 1	10			-	-	482	0.01
IDFC Imperial Equity Fund-Plan A G	10			-	-	64001	0.18
IDFC Premier Equity Fund Plan A Growth	10			-	-	6430	0.05
HDFC CMF Tap- R.G	10			-	-	705	*
HDFC Top 200 Fund G	100			-	-	6130	0.21
HDFC Mid Cap Opportunities Fund G	10			-	-	13935	0.05
HDFC Core and Satellite Fund	10			-	-	31472	0.18
HDFC Equity Fund G	100			-	-	8947	0.42
Reliance Liquid Fund Treasury Plan Retail Option Growth Option Growth Plan	10			-	-	29	0.01
Reliance Banking Fund	100			-	-	2480	0.05
Kotak Floater Long Term-Growth	10			-	-	887	*
Kotak MID CAP	10			-	-	12415	0.07
DSP Black Rock Money Manager Fund-Regular Plan Growth	1000			-	-	11	*
DSP Black Rock Micro Cap Fund R-	10			-	-	20342	0.08
IDFC MMF TPA-Growth	10			-	-	987	*
IDFC Premier Equity Fund Plan A	10			-	-	9194	0.07
DSP Black Rock Small and Mid Cap Fund - R	10			-	-	17882	0.07
Templeton India Income Opp. Fund- G	10			-	-	299514	0.48
Birla Sunlife Ultra Short Term Fund-Retail-Growth	100			-	-	6256	0.16
Birla Sunlife Cash Manager-Growth	100			-	-	12613	0.42
HDFC Prudence Fund-G	100			-	-	2935	0.11
IDFC Yearly Series Interval Fund Regular Plan- Series III Growth	10			-	-	77200	0.09
Templeton India Short term Income Fund - Growth	1000			-	-	662	0.19
Total			18.43		17.51		17.40
Aggregate carrying value of unquoted investments			18.43		17.51		17.40

Figures below ₹50,000 are denominated by *.

Notes to the Financial Statements for the year ended March 31, 2017

13. Trade receivables*

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Unsecured, considered good	478.09	1,540.54	1,444.26
(b) Doubtful	0.19	10.68	7.78
(c) Less: Allowance for doubtful debts (including expected credit allowance of ₹ Nil As at March 31, 2016 ₹5.13 crore and As at April 1, 2015 ₹2.37 crore)	(0.19)	(10.68)	(7.78)
Total	478.09	1,540.54	1,444.26

* Note:

The average credit period on sales of goods is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of the total balance of trade receivables.

Age of receivables

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Less than 180 days	477.90	1,508.62	1,418.95
180-365 days	0.19	27.51	11.37
More than 365 days	-	4.41	13.94
Total	478.09	1,540.54	1,444.26

Movement in the expected credit loss allowance

(₹ in crores)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Balance at beginning of the year	5.13	2.37
Loss allowance calculated at lifetime expected credit losses	-	2.76
Transfer of expected credit loss allowance on trade receivable pursuant to the demerger Scheme	(5.13)	-
Balance at the end of the year	-	5.13

14. Cash and cash equivalents

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Balances with banks	46.27	467.60	308.98
(b) Cash on hand	0.14	0.27	0.10
(c) Cheques, drafts on hand	3.57	0.06	1.37
(d) Bank deposits with upto 3 months maturity	582.32	21.32	24.10
	632.30	489.25	334.55
Other bank balances			
Earmarked balances with banks			
- Unclaimed dividend accounts	0.90	0.79	0.68
	0.90	0.79	0.68
Total	633.20	490.04	335.23

Notes to the Financial Statements for the year ended March 31, 2017

15. Bank balances other than (14) above

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Other bank balances			
Bank deposits having maturity beyond 3 months	70.91	30.45	1.28
Total	70.91	30.45	1.28

16. Loans (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unsecured, considered good, unless otherwise stated			
(a) Security deposits and earnest money deposits			
Considered good	5.79	3.52	3.04
Considered doubtful	-	4.73	3.94
Less: Provision for doubtful deposits	-	(4.73)	(3.94)
	5.79	3.52	3.04
(b) Interest receivable	1.52	61.35	84.14
(c) Other loans (Refer Note below)	264.58	42.14	38.98
(d) Subsidies receivables	155.94	-	-
Total	427.83	107.01	126.16

Note This includes ₹48.94 crores (as at March 31, 2016: ₹42.14 crores and as at April 01, 2015: ₹38.98 crores) due from Sintex Oil & Gas Limited which is guaranteed by a promoter group company.

17. Other current assets

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Export incentive receivable	0.51	0.26	0.24
(b) Advances recoverable in cash or in kind			
Considered good	-	270.49	20.61
Considered doubtful	-	0.66	0.50
Less: Provision for doubtful advances	-	(0.66)	(0.50)
	-	270.49	20.61
(c) Prepaid expenses	1.43	5.76	5.36
(d) Balances with government authorities	56.78	31.79	34.18
(e) Other receivables	41.19	43.65	23.92
(f) Guarantee commission receivable	-	3.55	-
(g) Unbilled revenue	-	20.16	-
Total	99.91	375.66	84.31

Notes to the Financial Statements for the year ended March 31, 2017

18. Equity share capital

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised share capital			
65,00,00,000 (as at March 31, 2016 65,00,00,000; as at April, 1, 2015 65,00,00,000) Equity Shares of ₹1 each	65.00	65.00	65.00
Total	65.00	65.00	65.00
Issued capital			
54,47,27,754 (as at March 31, 2016: 44,65,82,521; as at April 01, 2015: 42,63,92,994) Equity Shares of ₹1 each	54.47	44.66	42.63
Total	54.47	44.66	42.63
Subscribed and fully paid up			
54,46,95,954 (as at March 31, 2016: 44,65,50,721; as at April 01, 2015: 42,63,61,194) Equity Shares of ₹1 each	54.47	44.66	42.63
Less:- Amount Recoverable from ESOP Trust Nil (as at March 31, 2016: Nil; as at April 01, 2015: 19,23,000) equity shares allotted to the Trust (Refer Note 46)	-	-	0.19
Total	54.47	44.66	42.44

Notes:-

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Conversion of FCCB into equity shares during the year	Rights issue during the year	Conversion of share warrants into equity shares during the year	Closing Balance
Equity Shares					
Year ended March 31, 2017					
- Number of shares	44,65,50,721	2,12,23,333	7,69,21,900	-	54,46,95,954
- Amount (₹ In crores)	44.66	2.12	7.69	-	54.47
Year ended March 31, 2016					
- Number of shares	42,63,61,194	2,01,89,527	-	-	44,65,50,721
- Amount (₹ In crores)	42.63	2.02	-	-	44.66
Year ended April 01, 2015					
- Number of shares	31,31,09,980	9,68,51,214	-	1,64,00,000	42,63,61,194
- Amount (₹ In crore)	31.31	9.68	-	1.64	42.63

- (ii) Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity share is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing AGM.

- (iii) As at March 31, 2017: 5,92,78,978 shares (as at March 31, 2016: NIL shares; as at March 31, 2015: 2,21,12,527 shares) were reserved for issuance as follows:

- NIL shares (as at March 31, 2016: NIL shares; as at March 31, 2015: 19,23,000 shares) of ₹1 each towards outstanding employee stock options granted / available for grant.
- 5,92,78,978 shares (as at March 31, 2016: NIL shares; as at March 31, 2015: 2,01,89,527 shares) of ₹1 each towards Foreign Currency Convertible Bonds (FCCB)

Notes to the Financial Statements for the year ended March 31, 2017

18. Equity share capital (contd.)

(iv) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares						
BVM Finance Private Limited	7,81,03,905	14.34%	7,81,03,905	17.49%	7,81,03,905	18.32%
Kolon Investment Private Limited	5,58,77,110	10.26%	3,02,22,046	6.77%	3,02,22,046	7.09%
Opel Securities Private Limited	3,02,23,452	5.55%	3,02,23,452	6.77%	3,02,23,452	7.09%

19. Other equity

Refer Statement of Changes in Equity for detailed movement in Equity Balances

A Summary of Other Equity Balances

Particulars	(₹ in crores)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Capital reserve	-	47.80	47.80
(b) Capital redemption reserve	-	15.05	15.05
(c) Securities premium reserve	678.23	1,714.02	1,549.05
(d) Debenture redemption reserve	56.17	120.02	167.10
(e) Employee Stock options outstanding account	-	-	29.41
(f) General reserve	428.58	448.44	311.18
(g) Foreign Currency Monetary Item Translation Difference Account	-	-	(6.35)
(h) Equity instruments through other comprehensive income	(0.15)	(1.19)	3.89
(i) Remeasurement of defined benefit plans	(1.02)	(1.07)	-
(j) Equity component of compound financial instrument (FCCBs) reserve	91.12	-	14.19
(k) Retained earnings	2,599.05	2,536.61	2,109.24
Total	3,851.98	4,879.68	4,240.56

B Nature and purpose of reserves

(i) Employee Stock options outstanding account

This reserve relates to share options granted by the Company to its employees under its employee stock option plan.

(ii) Capital reserve

Capital reserve represents upfront amount of convertible share warrants forfeited during the financial year 2008-09.

(iii) Capital Redemption reserve

Capital Redemption reserve was created for redemption of preference shares .

(iv) General reserve

The general reserve is created from time to time by transfer of profits from retained earnings for appropriate purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of profit and loss.

(v) Debenture Redemption reserve

This reserve has been created for redemption of debentures issued by the company in compliance of provisions of the Companies Act, 2013 and rules framed there under.

(vi) Foreign Currency Monetary Item Translation Difference Account

This reserve mainly represents foreign exchange rate variations and amortisation on long term monetary assets/liabilities.

Notes to the Financial Statements

for the year ended March 31, 2017

19. Other equity (contd.)

(vii) Equity instruments through other comprehensive income

The reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

(viii) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013. Thus the amounts reported above are not distributable in entirety.

(ix) Remeasurement of defined benefit plans

This reserve represents the impact of actuarial gains and losses on the funded obligation due to change in financial assumptions, change in demographic assumption, experience adjustments, etc. recognised through other comprehensive income.

20. Borrowings (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured - at amortised cost			
(a) Debentures (refer note- (i) to (iv) below)	497.13	1,085.47	667.50
(b) Term loans			
(i) from banks (refer note - (v) to (vii) below)	2,157.81	2,030.78	1,514.08
(ii) from a financial institution (refer note - (v) to (vii) below)	526.65	561.41	338.14
Unsecured - at amortised cost			
(a) Foreign Currency Convertible Bonds	393.03	-	130.91
(b) Foreign Currency Term loans from banks (refer note - (viii) and (ix) below)	63.02	198.99	-
Total	3,637.64	3,876.65	2,650.63

Notes:

- (i) 2,500 (Previous year 5,000) 9.41% Secured Redeemable Non Convertible debentures of ₹10,00,000/- each, are redeemable at par on 8th October, 2020. The Debentures are secured by first pari passu charge on fixed assets (excluding spinning unit) of the Company.
- (ii) 1,375 (Previous year 2,750) 10.70% Secured Redeemable Non Convertible debentures of ₹10,00,000/- each, are redeemable at par in three equal annual installments starting from 30th September, 2019. The Debentures are secured by first pari passu charge on fixed assets (excluding spinning unit) of the Company.
- (iii) 1,125 (Previous year 2,250) 10.70% Secured Redeemable Non Convertible debentures of ₹10,00,000/- each, are redeemable at par in three annual installments starting from 11th June, 2019. The Debentures are secured by first pari passu charge on fixed assets (excluding spinning unit) of the Company.
- (iv) Nil (Previous year 1,675) 11.5% Secured Redeemable Non Convertible debentures of ₹10,00,000/- each, are redeemable at par in three annual installments starting from 18th February, 2016. The Debentures are secured by first pari passu charge on all the movable and immovable assets, both present and future excluding assets of spinning unit of the Company.
- (v) Term Loans from the banks and Financial Institution referred in point no (a),(b) and (f) of Note (vii) below are secured by first charge on pari passu basis on all the immovable and movable properties of the Company, both present and future excluding properties of spinning unit and on specified current assets and book debts on which prior charge created in favour of the Banks for working capital facilities (refer note 23).

Notes to the Financial Statements for the year ended March 31, 2017

20. Borrowings (non-current) (contd.)

- (vi) Term Loans from the banks and Financial Institution referred in point no (c) and (d) of Note (vii) below from the banks and financial institution are secured by first charge on pari passu basis on entire fixed assets including immovable properties of the spinning unit.
- (vii) Terms of repayments of term loans (including current maturities of long term debt) carrying interest rate range of 2.4% to 11% p.a. are given below:-
- (a) Loan outstanding of Nil (previous year ₹260.00 crores) - the overall loan repayment term includes annual installments of ₹16.25 crores each from 31st March, 2013 to 31st March, 2016 and ₹130 crores each on 31st March, 2017 and 31st March, 2018. *
 - (b) Foreign currency loan of ₹ Nil (previous year ₹796.00 crores) is repayable in three equal annual installment of ₹265.33 crores at the end of 5th, 6th and 7th year i.e. starting from 14th December, 2017 till 14th December 2019.*
 - (c) Loan outstanding of ₹1220.00 crores (previous year ₹1220.00 crores) - the overall loan repayment term includes 30 quarterly installment of ₹40.67 crores each starting from August, 2017 to November, 2024 .
 - (d) Loan outstanding of ₹1284.35 crores (previous year ₹249.85 crores) - the overall loan repayment term includes 30 quarterly installment of ₹40.67 crores each starting from April, 2018 to September, 2025 and 36 quarterly installment ₹52.40 crores each starting from September, 2019 to June, 2028 .
 - (e) Loan outstanding of ₹82.5 crores (previous year Nil) - the loan repayment term includes 32 structured quarterly installment of ₹1.03 crores each starting from December, 2016 to September, 2021 and ₹4.125 crores starting from December, 2021 to September, 2025 . (For Security Refer note (i) to (iv) above)
 - (f) The Technology Upgradation Fund Scheme (TUFs) term loans include:
 - (i) Loan outstanding of Nil (previous year ₹2.18 crores) - the overall loan repayment term includes 32 quarterly installment of ₹4.69 crores each starting from 30th June, 2008 till 30th May, 2016.
 - (ii) Loan outstanding of Nil (previous year ₹2.34 crores) - the overall loan repayment term includes 32 quarterly installment of ₹2.34 crore each starting from 17th October, 2008 to 17th April , 2016.
 - (iii) Loan outstanding of ₹129.33 crores (previous year ₹154.33 crores) - the overall loan repayment term includes 32 quarterly installment of ₹6.25 crore each starting from 1st October, 2014 till 1st July, 2022.
 - (iv) Loan outstanding of ₹94.69 crore (previous year ₹112.73 crores) - the overall loan repayment term includes 32 quarterly installment of ₹4.51 crore each commencing after 27 months moratorium period i.e. starting from 1st October, 2014 till 1st July, 2022.
 - (v) Loan outstanding of ₹63.56 crore (previous year ₹76.07 crores) - the overall loan repayment term includes 32 quarterly installment of ₹3.13 crore each commencing from 1st October , 2014 till 1st July, 2022.
 - (viii) Foreign currency loan of Nil (previous year ₹198.99 crores), carrying interest rate of 6 months LIBOR plus 340 bps pa - the overall loan repayment term includes 8 half yearly installment commencing from 21st November, 2018 till 20th May, 2022. *
 - (ix) Foreign currency loan of ₹63.02 crores (previous year Nil) payable in 2 yearly equal installment commencing from 5th April, 2021.

* Represents Loan amount transfer on account of demerger

Notes to the Financial Statements

for the year ended March 31, 2017

21. Provisions (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
For Employee benefits (Refer Note 42)			
(i) Provision for compensated absences	5.88	10.12	8.98
(ii) Provision for gratuity	7.30	10.04	7.52
Total	13.18	20.16	16.50

22. Deferred tax liabilities (net)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Deferred tax liabilities			
(i) Difference between book and tax depreciation	396.41	706.96	495.01
(ii) Recognition of equity component of compounded financial instruments (FCCBs)	48.22	-	-
(iii) Related to Ind AS adjustment	6.37	-	7.38
	451.00	706.96	502.39
(b) Deferred tax assets			
(i) Disallowances under Income tax	7.46	12.75	9.11
(ii) Provision for doubtful debts & advances	0.29	4.22	3.30
(iii) Unabsorbed depreciation	110.38	106.47	35.26
(iv) Minimum Alternate Tax	247.32	375.20	253.07
(v) Demerger expense as per section 35DD	0.04	-	-
(vi) Related to Ind AS adjustment	-	2.70	-
	365.49	501.34	300.74
Total	85.51	205.62	201.65

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

23. Borrowings (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured - at amortised cost			
- Loans repayable on demand from banks (refer note below)	318.17	595.31	536.06
Unsecured - at amortised cost			
- Other loans	-	56.00	195.00
Total	318.17	651.31	731.06

Note:

Loans from the banks are secured by first charge on the stocks and book debts of the Company, both present and future.

Notes to the Financial Statements for the year ended March 31, 2017

24. Trade payables

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables	198.40	294.92	232.21
Total	198.40	294.92	232.21

The average credit period on purchases of certain goods is 7 to 240 days. No interest is charged on the trade payables for the first 240 days from the date of invoice. Thereafter, the interest is payable at 20% per annum on the outstanding balance. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Dues payable to Micro and Small Enterprises:

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Principal amount remaining unpaid to any supplier as at the year end	0.54	3.52	3.46
Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end	0.03	0.03	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act.	0.03	0.03	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	0.03	0.03	-

25. Other financial liabilities (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Current maturities of long-term borrowings (Refer Note 20 borrowings (Non Current Borrowings for details of security))	179.60	353.90	532.41
(b) Interest accrued on borrowings	21.96	36.49	27.74
(c) Investor's Education and Protection Fund - Unclaimed dividends	0.90	0.79	0.68
(d) Acceptances	25.53	177.37	144.95
(e) Others:-			
(i) Payables on purchase of fixed assets	25.85	28.53	53.61
(ii) Trade / security deposits received	0.50	7.69	7.77
Total	254.34	604.77	767.16

26. Other current liabilities

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Statutory remittances	5.66	11.99	9.14
(b) Advances from customers	11.20	51.82	47.59
(c) Unearned revenue	-	2.56	-
Total	16.86	66.37	56.73

Notes to the Financial Statements for the year ended March 31, 2017

27. Provisions (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for employee benefits			
(i) Provision for compensated absences	1.18	1.62	1.65
(ii) Provision for gratuity	2.08	2.19	1.73
Total	3.26	3.81	3.38

28. Current tax liabilities (net)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for taxation (net of advance tax)	4.44	-	2.65
Total	4.44	-	2.65

29. Revenue from operations

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of products	1,433.84	918.02
Less: Commission on sales	(3.39)	(3.06)
Total	1,430.45	914.96

30. Other income

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest income earned on financial asset that are not designated as at fair value through profit or loss (FVTPL)	30.64	50.08
(b) Investments measured at fair value through profit or loss	1.82	0.01
(c) Excess provision / amount no longer payable written back	-	5.22
(d) Subsidies from government authorities	28.85	-
(e) Net gain on sale / transfer of investments of current investments	0.87	0.83
(f) Net gain on foreign currency transactions and translation (other than considered as finance cost)	18.51	18.27
(g) Miscellaneous income	3.02	1.53
Total	83.71	75.94

31. Cost of materials consumed

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening stock	15.34	26.79
Add: Purchases	1,029.61	518.72
Less: Closing stock	128.60	15.34
Cost of materials consumed	916.35	530.17

Notes to the Financial Statements for the year ended March 31, 2017

32. Purchases of stock-in-trade

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Yarn	-	27.60
Total	-	27.60

33. Changes in inventories of finished goods and Work-in-Progress

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventories at the end of the year:		
(a) Finished goods	39.17	36.55
(b) Work-in-progress	33.48	10.99
	72.65	47.54
Inventories at the beginning of the year:		
(a) Finished goods	36.55	39.50
(b) Work-in-progress	10.99	8.84
	47.54	48.34
Net (increase) / decrease	(25.11)	0.80

34. Employee benefits expense

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Salaries and wages	78.66	51.82
(b) Contributions to provident and other funds	8.28	5.62
(c) Staff welfare expenses	8.98	3.47
Total	95.92	60.91

35. Finance costs

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest costs on borrowings carried at amortised cost (net of interest subsidy)	87.95	66.28
(b) Other borrowing costs	1.80	1.58
Total	89.75	67.86

Notes to the Financial Statements for the year ended March 31, 2017

36. Other expenses

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Consumption of stores and spare parts	34.83	37.89
(b) Power and fuel	105.51	41.72
(c) Rent including lease rentals	2.15	1.25
(d) Repairs and maintenance - Buildings	0.02	0.02
(e) Repairs and maintenance - Machinery	0.54	0.45
(f) Repairs and maintenance - Others	0.29	0.30
(g) Insurance	2.55	0.74
(h) Rates and taxes	0.05	0.01
(i) Travelling and conveyance	5.16	2.89
(j) Donations and contributions	0.01	0.02
(k) Expenditure on Corporate Social Responsibility (Refer Note 45)	9.40	1.31
(l) Payments to auditors (refer note below) *	0.31	0.44
(m) Loss on sale / impairment of property, plant and equipment (net)	0.07	1.15
(n) General expenses	12.94	1.37
Total	173.83	89.56
Payments to auditors		
(a) For audit	0.31	0.44
(b) For taxation matters	-	-
(c) For other services (including quarterly limited review, certifications, etc.)	-	-
(d) For reimbursement of expenses	-	-
Total	0.31	0.44

* Excludes amount paid during previous financial year of ₹0.33 crore pertaining to discontinued operation and ₹0.47 crore paid during the year towards Certification for right issue and FCCB issue debited to the security premium account.

37. Discontinued operations

Disposal of custom moulding and prefab businesses

The Company has entered into a Composite Scheme of Arrangement ('the Scheme') with Sintex Plastics Technology Limited, Sintex - BAPL Limited, Sintex Infra Projects Limited and their respective shareholders and creditors to transfer the Custom Moulding Undertakings and Prefab Undertakings to Sintex - BAPL Limited and Sintex Infra Projects Limited respectively. The Scheme was sanctioned by the Hon'ble NCLT, Bench at Ahmedabad on March 23, 2017 and the Company has received the approval of the Reserve Bank of India (RBI) vide its letter dated May 12, 2017. On giving effect of the Scheme, with effect from the appointed date of the Scheme i.e. April 01, 2016, all the assets and liabilities of Custom Moulding business (including strategic investments in Sintex Holdings B.V., wholly owned subsidiary) and the Prefab business have been transferred and vested to Sintex - BAPL Limited and Sintex Infra Projects Limited respectively. Therefore operations of Custom Molding business and Prefab business are considered as discontinued operations.

Analysis of the profit for the year ended 31st March, 2016 from discontinued operations

The results of the discontinued operations included in the profit for the year are set out below. The profit and cash flows from discontinued operations have been presented for the year ended March 31, 2016.

Notes to the Financial Statements for the year ended March 31, 2017

37. Discontinued operations (contd.)

Profit for the year from discontinued operations

(₹ in crores)

Particulars	For the year ended March 31, 2016
Revenue from operations	3,961.19
Other income	39.08
Cost of material consumed	(2,689.21)
Purchase of stock-in-trade	(12.59)
Change in inventories of finished goods and work-in-progress	6.15
Employee benefit expense	(76.32)
Finance cost	(143.10)
Depreciation and amortisation expense	(110.82)
Other expense debited to Statement of Profit and Loss	(400.62)
Profit from discontinued operations before tax (I)	573.76
Tax expense of discontinued operations (II)	(134.13)
Profit from discontinued operations (I + II)	439.63

Cash flows from discontinued operations

(₹ in crores)

Particulars	For the year ended March 31, 2016
Net cash inflows/(outflows) from operating activities	466.44
Net cash inflows/(outflows) from investing activities	342.36
Net cash inflows/(outflows) from financing activities	(326.74)
Net cash inflows/(outflows)	482.06

38. Composite Scheme of Arrangement:

Pursuant to the Composite Scheme of Arrangement (the 'Scheme') between the Company, Sintex Plastics Technology Limited, Sintex-BAPL Limited, Sintex Infra Projects Limited and their respective shareholders and creditors, the Custom Moulding business and the Prefab business of the company along with its related assets and liabilities have been transferred to Sintex-BAPL Limited and Sintex Infra Projects Limited respectively, upon the sanction of the Scheme by the Hon'ble NCLT, Bench at Ahmedabad vide Order dated 23rd March, 2017. The certified copy of the Order sanctioning the Scheme has been filed with the office of the Registrar of the Companies, Gujarat, on 13th April 2017 and the Company has received the requisite approval of the Reserve Bank of India (RBI) vide its letter dated 12th May 2017.

Accordingly, the effect of the Scheme has been given from 1st April 2016, being the Appointed Date of the Scheme. In terms of the Scheme, effective from 1st April 2016:

- The assets and liabilities of the Custom Moulding business and the Prefab business have been transferred to Sintex-BAPL Limited and Sintex Infra Projects Limited respectively, at the values appearing in the books of accounts of the company on the close of business hours on 31st March 2016.
- The inter-company balances, appearing in the books of accounts of the Company pertaining to the Custom Moulding business and Sintex-BAPL Limited and the inter-company balances appearing in the books of accounts of the Company pertaining to the Prefab business and Sintex Infra Projects Limited have been cancelled.

Notes to the Financial Statements for the year ended March 31, 2017

38. Composite Scheme of Arrangement: (contd.)

- c) The investment by way of equity shares held by the Company in the paid up share capital of Sintex Plastics Technology Limited of ₹199.91 crore (including ₹199.90 crores invested during the year under review) has been cancelled.
- d) The difference between the value of assets and value of liabilities of the Custom Moulding business and Prefab business amounting to ₹1688.09 crore transferred to Sintex-BAPL Limited and Sintex Infra Projects Limited and the cancellation of equity shares held by the Company in the paid up share capital of Sintex Plastics Technology Limited of ₹199.91 crore as mentioned above, aggregating to ₹1888.00 crore have been appropriated as under :
- (i) Capital Reserve ₹47.80 crore
 - (ii) Capital Redemption Reserve ₹15.05 crore
 - (iii) Securities Premium Account ₹1714.02 crore
 - (iv) General Reserve ₹111.13 crore

39. Foreign Currency Convertible Bonds (FCCBs)

On May 25, 2016, the Company issued USD 110 million Step Down Convertible Bonds due 2022 ("FCCBs"). The FCCBs bear interest (i) at the rate of 7% p.a from May 25, 2016 to May 25, 2018 and (ii) at the rate of 3.50% p.a from May 25, 2018 to May 25, 2022, payable semi-annually in arrear on the interest payment dates falling on 25 November and 25 May.

The FCCBs are convertible at any time on and after July 5, 2016 and up to the close of business on May 15, 2022 by holders of the FCCBs into fully paid equity shares with full voting rights of the Issuer each with a nominal value of ₹1 at the option of the holder, at an initial conversion price of ₹93.8125 per share with a fixed rate of exchange on conversion of ₹67.4463 = USD 1.00. The conversion price is subject to adjustment in certain circumstances and may be reset on November 25, 2018 and November 25, 2019 in accordance with the terms and conditions of the FCCBs.

As per the Scheme of Arrangement, on exercising option for conversion of the FCCBs, the FCCB holders shall receive one fully paid equity shares of ₹1 each with full voting rights of Sintex Plastics Technology Limited and further the repayment of FCCBs is guaranteed by Sintex Plastics Technology Limited.

The FCCBs contain two components: liability and equity elements. The equity element is presented in equity under the heading "Equity component of other financial instrument reserve".

Particulars	(₹ in crores)
Proceeds of issue	739.53
Liability component at the date of issue	545.51
Equity component (gross of tax)	194.02

During the quarter ended March 31, 2017, FCCBs aggregating to USD 29 million have been converted into 2,12,23,333 equity shares.

Particulars	(₹ in crores)
Reduction in equity component due to conversion of FCCBs into equity (gross of tax)	51.15

40. Segment information

a. Products and services from which reportable segments derive their revenues.

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors have chose to organise the Company around difference in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company.

Pursuant to the Composite Scheme of Arrangement, with effect from April 01, 2016 the Company operates in Textile business which is the only reportable segment in accordance with the requirement of Ind AS 108 "Operating Segments".

Notes to the Financial Statements for the year ended March 31, 2017

40. Segment information (contd.)

b. Geographical information

Geographical revenue is allocated based on the location of the customers.

Company's all non-current assets are located in India (i.e. its country of domicile)

The Company's revenue from continuing operations from external customers by location of operations are detailed below:-

(₹ in crores)

Geography	Revenue from external customers	
	For the year ended March 31, 2017	For the year ended March 31, 2016
India (includes deemed exports)	1,374.10	879.95
Asia (Other than India)	28.29	21.77
Europe	22.68	5.62
Others	5.38	7.62
Total	1,430.45	914.96

The Company has revenue of ₹474.58 crores (Previous year ₹22.46 crores) from a external customer that individually represents more than 10% of external revenue reported.

41. Related Party Transactions

a. Products and services from which reportable segments derive their revenues.

Sr. No.	Nature of relationship	Name of Related Parties
1	Associate	Zillion Infra Projects Pvt. Ltd. (till March 31, 2016)
2	Key Management Personnel	Shri Rahul A. Patel, Managing Director (Group) Shri Amit D. Patel, Managing Director (Group) Shri S.B.Dangayach, Managing Director
3	Relatives of Key Management Personnel	Shri Dinesh B. Patel (Chairman) Shri Arun P. Patel (Vice-chairman)
4	Subsidiaries	Sintex Holdings B.V. (till March 31, 2016) Sintex-BAPL Ltd (till September 28, 2016) BAPL Rototech Pvt. Limited (till March 31, 2016) BVM Overseas Limited Sintex Infra Projects Limited (till March 31, 2016) Sintex Plastic Technology Limited (till March 31, 2016) Sintex Wausaukee Composites Inc. (till March 31, 2016) Sintex France SAS (till March 31, 2016) Sintex Industries UK Ltd. (till March 31, 2016) Sintex Austria B.V. (till March 31, 2016) Southgate Business Corp. (till March 31, 2016) Amarange Inc. (till March 31, 2016) Wausaukee Composites Inc.- Owosso, Inc. (till March 31, 2016) WCI Wind Turbine Components, LLC. (till March 31, 2016) Sintex NP SAS (till March 31, 2016) NP Hungaria kft (till March 31, 2016) NP Nord SAS (till March 31, 2016) NP Slovakia SRO (till March 31, 2016)

Notes to the Financial Statements for the year ended March 31, 2017

41. Related Party Transactions (contd.)

Sr. No.	Nature of relationship	Name of Related Parties
		NP Savoie SAS (till March 31, 2016)
		NP Tunisia SARL (till March 31, 2016)
		NP Vosges SAS (till March 31, 2016)
		NP Morocco SARL (till March 31, 2016)
		NP Germany GMBH (till March 31, 2016)
		Siroco SAS (till March 31, 2016)
		SICMO SAS (till March 31, 2016)
		AIP SAS (till March 31, 2016)
		NP Jura (till March 31, 2016)
		NP Sud SAS (till March 31, 2016)
		NP Polska (till March 31, 2016)
		Simonin SAS (till March 31, 2016)
		Ressorest SARL (till March 31, 2016)
		Capelec SAS (till March 31, 2016)
		Capelem SARL (till March 31, 2016)
		Cuba City Real Estate LLC (till March 31, 2016)
		Owosso Real Estate LLC (till March 31, 2016)
5	Enterprises over which Key Managerial Personnel are able to exercise significant influence /control	Som Shiva (Impex) Ltd.
		Prominent Plastics Ltd.
		BVM Finance Pvt Ltd.
		Atik Land Developers Pvt. Ltd. (till 31-3-2016)
		Healwell International Ltd.

b.1 Transactions during the year with related parties*:

(₹ in crores)

Sr. No	Nature of transactions	Nature of Relationship				Total
		Associate	Subsidiaries	Entities over KMP exercise significant influence/control	Key Management Personnel & relatives thereof	
1	Purchase of goods/services	-	16.47	-	-	16.47
		-	(2.33)	(12.61)	-	(14.94)
2	Purchase of Fixed Assets	-	-	-	-	-
		-	(456.25)	-	-	(456.25)
3	Sale of goods/services	-	-	-	-	-
		-	(16.93)	(0.03)	-	(16.96)
4	Interest Income	-	-	-	-	-
		-	(28.37)	(3.81)	-	(32.18)
5	Commission on Guarantee given	-	-	-	-	-
		-	(3.54)	-	-	(3.54)
6	Managerial remuneration	-	-	-	12.95	12.95
		-	-	-	(15.17)	(15.17)
7	Sitting fees	-	-	-	0.10	0.10
		-	-	-	(0.06)	(0.06)
8	Unsecured Loan/Advance given	-	-	-	-	-
		-	(44.25)	-	-	(44.25)

Notes to the Financial Statements for the year ended March 31, 2017

41. Related Party Transactions (contd.)

(₹ in crores)

Sr. No	Nature of transactions	Nature of Relationship				
		Associate	Subsidiaries	Entities over KMP exercise significant influence/ control	Key Management Personnel & relatives thereof	Total
9	Unsecured Loan/Advance repaid	-	-	-	-	-
		-	(228.91)	(50.00)	-	(278.91)
10	Equity Investment in the Subsidiary	-	-	-	-	-
		-	(164.46)	-	-	(164.46)
11	Sale/ transfer of Equity Investment in the Subsidiary	-	-	-	-	-
		-	(648.03)	-	-	(648.03)

b.2 Balance as at March 31, 2017*

(₹ in crores)

Sr. No	Nature of transactions	Nature of Relationship				
		Associate	Subsidiaries	Entities over KMP exercise significant influence/ control	Key Management Personnel & relatives thereof	Total
1	Trade Payable	-	14.48	-	7.59	22.07
		-	(21.62)	(0.28)	(9.75)	(31.65)
2	Trade Receivable	-	-	-	-	-
		-	(4.39)	(0.17)	-	(4.56)
3	Investments (non-current)	-	4.50	11.54	-	16.04
		-	(329.24)	(10.50)	-	(339.74)
4	Loans and advances (non-current) (including capital advance)	-	-	-	-	-
		-	(237.22)	(-)	-	(237.22)
5	Other current asset	-	-	-	-	-
		-	(3.54)	(34.60)	-	(38.14)
6	Outstanding Corporate Guarantee given to Financial Institution for foreign subsidiaries	-	-	-	-	-
		-	(867.63)	-	-	(867.63)

* Figures in brackets indicates figures of previous year

b.3 Disclosure of Material Related Party Transactions during the year and Balance outstanding

- Purchase of goods/services include purchase from (i) Sintex Infra Projects Ltd. ₹ Nil (Previous Year ₹0.32 crore), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹ Nil), (ii) Sintex- BAPL Ltd. ₹ Nil (Previous Year ₹0.00# crore), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹0.00* crore), (iii) BVM Overseas Ltd. ₹16.47 crores (Previous Year ₹2.01 crores), Balance as on March 31, 2017 ₹14.48 crores (Previous Year ₹2.99 crores) (iv) Som Shiva (Impex) Ltd. ₹ Nil (Previous Year ₹12.61 crores). Balance as on March 31, 2017 ₹ Nil (Previous Year ₹0.28 crore) and (v) Healwell International Ltd. ₹ Nil (Previous Year ₹ Nil). Balance as on March 31, 2017 ₹ Nil (Previous Year ₹ Nil).
- Purchase of fixed assets include purchase from Sintex Infra Projects Ltd. ₹ Nil (Previous Year ₹456.25 crores), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹18.63 crores).

Notes to the Financial Statements for the year ended March 31, 2017

41. Related Party Transactions (contd.)

- 3 Sale of goods/services include sale to (i) Sintex Infra Projects Ltd. ₹ Nil (Previous Year ₹16.12 crores), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹4.06 crores), (ii) Sintex- BAPL Ltd. ₹ Nil (Previous Year ₹0.60 crores), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹0.12 crores), (iii) Wausaukee Composites Inc ₹ Nil (Previous Year ₹0.21 crore), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹0.21 crore), (iv) Som Shiva (Impex) Ltd. ₹ Nil (Previous Year ₹0.03 crore), Balance as on March 31, 2017 ₹ Nil (Previous Year ₹0.17 crore).
- 4 Interest Income mainly include interest from Sintex Infra Projects Ltd ₹ Nil (Previous Year ₹26.36 crores), Sintex- BAPL Ltd. ₹ Nil (Previous Year ₹2.01 crores) and Atik Land Developers Pvt Ltd. ₹ Nil (Previous Year ₹3.81 crores).
- 5 Guarantee commission includes from Sintex Holding B.V. ₹ Nil (Previous Year ₹1.58 crores), Sintex France SAS ₹ Nil (Previous Year ₹1.96 crores).
- 6 Managerial Remuneration include remuneration to Shri Rahul A. Patel ₹5.53 crores (Previous Year ₹6.61 crores), Shri Amit D. Patel ₹5.56 crores (Previous Year ₹6.70 crores), Shri S B Dangayach ₹1.86 crores (Previous Year ₹1.86 crores).
- 7 Sitting fees paid includes to Shri Dinesh B. Patel ₹0.04 crore (Previous Year ₹0.03 crore), Shri Arun P. Patel ₹0.06 crore (Previous Year ₹0.03 crore).
- 8.1 Loans and advance (non-current) include amount paid to Sintex Infra Project Limited ₹ Nil (Previous Year Loan of ₹23.72 crores) and Sintex-BAPL Ltd. ₹ Nil (Previous Year ₹20.53 crores).
- 8.2 Loan returned / adjusted during the year by Sintex Infra Projects Ltd. ₹ Nil (Previous Year ₹106.81 crores) and by Sintex- BAPL Ltd. ₹ Nil (Previous Year ₹122.10 crores). The Loan balance outstanding for Sintex Infra Projects Ltd. was ₹ Nil (Previous year ₹226.72 crores) and Sintex- BAPL Ltd. was ₹ Nil (Previous Year ₹10.50 crores) as on March 31, 2017.
- 9 Purchase of Investment include investment in Sintex Infra Projects Ltd ₹ Nil (Previous Year ₹60.75 crores), Sintex-BAPL Ltd ₹ Nil (Previous Year ₹99.20 crores), BVM Overseas Ltd. ₹ Nil (Previous Year ₹4.50 crores) and Neev Educare Limited ₹ Nil (Previous Year ₹0.01 crores).
- 10 Sale/transfer of investment include buyback of equity shares of Sintex Holding B.V. ₹ Nil (Previous Year ₹439.73 crores) and transfer of equity shares Sintex Infra Projects Ltd ₹ Nil (Previous Year ₹208.30 crores).

#* Figures represented by # is less than ₹50,000/-.

42. Employee benefits plans

a. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹6.15 crores (for the year ended March 31, 2016 ₹3.92 crores) for Provident Fund contributions and ₹0.68 crores (for the year ended March 31, 2016 ₹0.57 crores) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

b. Defined benefit plans:

The Company sponsors funded defined benefit plans for qualifying employees of its subsidiaries. The defined benefit plans are administered by a separate Fund that is legally separated from the entity. The board of the fund is composed of an equal number of representatives from both employers and (former) employees. The board of the fund is required by law and by its articles of association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The board of the fund is responsible for the investment policy with regard to the assets of the fund.

Notes to the Financial Statements for the year ended March 31, 2017

42. Employee benefits plans (contd.)

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years. Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The defined benefit pension plans requires contributions from employees. Contributions are in the following two forms; one is based on the number of years of service and the other one is based on a fixed percentage of salary of the employees. Note 2(viii) describes change in accounting in the current year following the adoption of the amendments to Ind AS 19.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2017 by Mr. Saurabh Kochrekar, Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

c. The Company offers the following employee benefit schemes to its employees:

- Gratuity (Funded through annual payment to Life Insurance Corporation of India)
- Compensated Absences (Unfunded)

A. Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Discount rate	7.25%	7.80%	8.00%
Expected rate(s) of salary increase	5.00%	5.00%	5.00%
Attrition rate	3% at younger ages reducing to 1% at older ages		
Expected return on plan assets	7.80%	7.80%	8.50%
Mortality tables	Indian Assured Lives Mortality (2006-08)		
Actuarial Valuation Method	Projected Unit Credit Method		

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factor.

Notes to the Financial Statements for the year ended March 31, 2017

42. Employee benefits plans (contd.)

Amount recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows:

(₹ in crores)		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Components of employer expense		
Current service cost	1.36	1.78
Net interest expense	0.59	0.67
Component of defined benefit costs recognised in Statement of Profit and Loss	1.94	2.45
<u>Remeasurement of the net defined benefit liability:</u>		
Actuarial losses/(gains)	(0.04)	1.63
Return on plan assets (excluding interest income amounts included in 'Net interest expense')	(0.05)	-
Components of defined benefit costs recognised in other comprehensive income	(0.09)	1.63
Total	1.86	4.08

The current service cost and net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

(₹ in crores)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of funded defined benefit obligation	16.15	24.52	21.79
Fair value of plan assets	6.77	12.30	12.55
Net liability/(asset) arising from defined benefit obligation	9.38	12.22	9.24

Movement in present value of the defined benefit obligation are as follows:

(₹ in crores)		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening defined benefit obligation *	15.19	21.79
Current service cost	1.36	1.78
Interest cost	1.09	1.64
Curtailement cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains) / losses	(0.04)	1.71
Past service cost	-	-
Benefits paid	(1.44)	(2.40)
Closing defined benefit obligation	16.15	24.52

* Excludes ₹9.33 crores transfer on account of Demerger.

Notes to the Financial Statements for the year ended March 31, 2017

42. Employee benefits plans (contd.)

Movement in the fair value of the plan assets are as follows:

Particulars	(₹ in crores)	
	Year ended March 31, 2017	Year ended March 31, 2016
Opening fair value of plan assets *	7.01	12.55
Adjustment to the opening fund	-	-
Interest income	0.50	0.97
Expected return on plan assets excluding amounts included in interest income	0.05	-
Contribution by employer	0.66	1.10
Actuarial gain / (loss)	-	0.08
Benefits paid	(1.44)	(2.40)
Closing fair value of plan assets	6.77	12.30
Actual return on plan assets	0.55	1.05

* Excludes ₹5.29 crores transfer on account of Demerger.

Composition of the plan assets:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Policy of Insurance	98%	100%	100%
Bank balance	2%	-	-

Particulars	(₹ in crores)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimate of amount of contribution in the immediate next year	2.08	2.19	1.73

h. Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Class of shares / Name of shareholder	(₹ in crores)			
	As at March 31, 2017		March 31, 2016	
	Increase	Decrease	Increase	Decrease
Gratuity:				
Discount rate (0.5% movement)	15.50	16.87	23.54	25.53
Future salary growth (0.5% movement)	16.84	15.52	25.50	23.50

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analyzed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

Notes to the Financial Statements for the year ended March 31, 2017

42. Employee benefits plans (contd.)

The expected benefit payments is as follows:

Particulars					
	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	(₹ in crores) Total
Gratuity:					
As at March 31, 2017					
Defined benefit obligation	2.86	1.45	3.91	4.57	12.79
As at March 31, 2016					
Defined benefit obligation	4.08	1.59	6.44	8.32	20.43
As at April 01, 2015					
Defined benefit obligation	2.64	1.89	5.49	9.09	19.11

B. Compensated Absences:

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Discount rate	7.25%	7.80%	8.00%
Expected rate(s) of salary increase	5.00%	5.00%	5.00%
Attrition rate	3% at younger ages reducing to 1% at older ages		
Mortality tables	Indian Assured Lives Mortality (2006-08)		
Actuarial Valuation Method	Projected Unit Credit Method		

The amount included in Balance sheet arising from the entity's obligation in respect of its defined benefit obligation plans are as follows:

Particulars			
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of funded defined benefit obligation	7.06	11.74	10.62
Fair value of plan assets	-	-	-
Net liability/(asset) arising from defined benefit obligation	7.06	11.74	10.62

* Excludes ₹4.50 crores transfer on account of Demerger.

43. Financial instruments

1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

Notes to the Financial Statements for the year ended March 31, 2017

43. Financial instruments (contd.)

1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows.

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Debt (i)	4,135.40	4,881.86	3,914.10
Cash and bank balances (Refer note 14 and 15)	(704.11)	(520.49)	(336.51)
Net debt	3,431.29	4,361.37	3,577.59
Total equity	3,906.45	4,924.34	4,283.00
Net debt to equity ratio	0.88	0.89	0.84

(i) Debt is defined as long-term and short term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), as described in earlier notes (Refer note 20, 23 and 25).

2 Categories of financial instruments

(₹ in crores)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Carrying values	Fair values	Carrying values	Fair values	Carrying values	Fair values
Financial assets						
Measured at amortised cost						
Non-current investments	16.19	16.19	339.89	339.89	1,009.67	1,009.67
Loans	433.30	433.30	227.90	227.90	399.22	399.22
Trade receivables	478.09	478.09	1,540.54	1,540.54	1,444.26	1,444.26
Cash and cash equivalents	633.20	633.20	490.04	490.04	335.23	335.23
Bank balances other than cash and cash equivalents	70.91	70.91	30.45	30.45	1.28	1.28
Total financial assets carried at amortised cost (A)	1,631.69	1,631.69	2,628.82	2,628.82	3,189.66	3,189.66
Measured at fair value through profit and loss						
Non-current investments in preference shares	-	-	45.82	45.82	44.01	44.01
Current investments in mutual funds	18.43	18.43	17.51	17.51	17.40	17.40
Foreign currency forward contracts not designated in hedge accounting relationships	-	-	46.57	46.57	37.10	37.10
Total financial assets at fair value through profit and loss (B)	18.43	18.43	109.90	109.90	98.51	98.51
Measured at fair value through other comprehensive income						
Non-current investments in equity instruments	11.69	11.69	10.65	10.65	15.72	15.72
Total financial assets at fair value through other comprehensive income (C)	11.69	11.69	10.65	10.65	15.72	15.72
Total financial assets (A+B+C)	1,661.81	1,661.81	2,749.37	2,749.37	3,303.89	3,303.89
Financial liabilities						
Measured at amortised cost						
Non-current liabilities						
Non-current borrowings *	3,637.64	3,672.47	3,876.65	3,907.02	2,650.63	2,666.07
Current liabilities						
Short-term borrowings	318.17	318.17	651.31	651.31	731.06	731.06
Trade payables	198.40	198.40	294.92	294.92	232.21	232.21
Other financial liabilities	254.34	254.34	604.77	604.77	767.16	767.16
Total financial liabilities measured at amortised cost	4,408.55	4,443.38	5,427.65	5,458.02	4,381.06	4,396.50
Total financial liabilities	4,408.55	4,443.38	5,427.65	5,458.02	4,381.06	4,396.50

* The fair value of company's fixed interest borrowing are determined by using Discounted Cash Flow Method.

Notes to the Financial Statements

for the year ended March 31, 2017

43. Financial instruments (contd.)

3 Financial risk management objectives

The Company's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

The Corporate Treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates due to foreign currency borrowings and variable interest loans. The Company has entered into derivative contracts to manage part of its foreign currency risk. The Company does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

(₹ in crores)

Particulars	As at March 31, 2017				
	USD	EURO	INR	Others	Total
Financial assets					
Non-current financial assets					
Investments	-	-	11.69	-	11.69
Loans			5.47		5.47
Total non-current financial assets (A)	-	-	17.16	-	17.16
Current financial assets					
Investments			18.43		18.43
Trade receivables	14.59	-	463.49	-	478.09
Cash and cash equivalents	9.06		624.15		633.20
Bank balances other than cash and cash equivalents			70.91		70.91
Loans			427.83		427.83
Total current financial assets (B)	23.65	-	1,604.82	-	1,628.47
Total financial assets (C) = (A) + (B)	23.65	-	1,621.97	-	1,645.62
Financial liabilities					
Non current financial liabilities					
Borrowings	456.05	-	3,181.59	-	3,637.64
Total non-current financial liabilities (D)	456.05	-	3,181.59	-	3,637.64

Notes to the Financial Statements for the year ended March 31, 2017

43. Financial instruments (contd.)

(₹ in crores)

Particulars	As at March 31, 2017				
	USD	EURO	INR	Others	Total
Current financial liabilities					
Borrowings			318.17		318.17
Trade payables	32.04	0.17	166.07	0.13	198.40
Others	16.12	-	238.22	-	254.34
Total current financial liabilities (E)	48.15	0.17	722.46	0.13	770.91
Total financial liabilities (F) = (D) + (E)	504.20	0.17	3,904.05	0.13	4,408.55
Excess of financial liabilities over financial assets (F) - (C)	480.55	0.17	2,282.08	0.13	2,762.93
Net exposure of foreign currency risk	480.55	0.17	-	0.13	480.85
Sensitivity impact on Net liabilities/(assets) exposure at 10%	48.06	0.02	-	0.01	48.09

(₹ in crores)

Particulars	As at March 31, 2016				
	USD	EURO	INR	Others	Total
Financial assets					
Non-current financial assets					
Investments	-	-	56.47	-	56.47
Loans	-	-	120.89	-	120.89
Others	46.57	-	-	-	46.57
Total non-current financial assets	46.57	-	177.36	-	223.93
Current financial assets					
Investments	-	-	17.51	-	17.51
Trade receivables	13.59	-	1,526.95	-	1,540.54
Cash and cash equivalents	1.79	-	488.25	-	490.04
Bank balances other than cash and cash equivalents	-	-	30.45	-	30.45
Loans	-	-	107.01	-	107.01
Total current financial assets	15.38	-	2,170.17	-	2,185.55
Total financial assets	61.95	-	2,347.53	-	2,409.48
Financial liabilities					
Non current financial liabilities					
Borrowings	994.99	-	2,881.66	-	3,876.65
Total non-current financial liabilities	994.99	-	2,881.66	-	3,876.65
Current financial liabilities					
Borrowings	-	-	651.31	-	651.31
Trade payables	10.88	0.37	283.55	0.12	294.92
Others	-	-	604.77	-	604.77
Total current financial liabilities	10.88	0.37	1,539.63	0.12	1,551.00
Total financial liabilities	1,005.87	0.37	4,421.29	0.12	5,427.65
Excess of financial liabilities over financial assets	943.92	0.37	2,073.76	0.12	3,018.17
Hedge for foreign currency risk	(217.56)	-	-	-	(217.56)
Net exposure of foreign currency risk	726.36	0.37	-	0.12	726.85
Sensitivity impact on Net liabilities/(assets) exposure at 10%	72.64	0.04	-	0.01	72.68

Notes to the Financial Statements

for the year ended March 31, 2017

43. Financial instruments (contd.)

(₹ in crores)

Particulars	As at March 31, 2015				
	USD	EURO	INR	Others	Total
Financial assets					
Non-current financial assets					
Investments	-	-	242.68	-	242.68
Loans	-	-	273.06	-	273.06
Others	37.10	-	-	-	37.10
Total non-current financial assets	37.10	-	515.74	-	552.84
Current financial assets					
Investments	-	-	17.40	-	17.40
Trade receivables	4.47	0.03	1,439.76	-	1,444.26
Cash and cash equivalents	1.70	-	333.53	-	335.23
Bank balances other than cash and cash equivalents	-	-	1.28	-	1.28
Loans	-	-	126.16	-	126.16
Total current financial assets	6.17	0.03	1,918.13	-	1,924.33
Total financial assets	43.27	0.03	2,433.87	-	2,477.17
Financial liabilities					
Non current financial liabilities					
Borrowings	882.03	-	1,768.60	-	2,650.63
Total non-current financial liabilities	882.03	-	1,768.60	-	2,650.63
Current financial liabilities					
Borrowings	-	-	731.06	-	731.06
Trade payables	1.58	-	230.63	-	232.21
Others	-	-	767.16	-	767.16
Total current financial liabilities	1.58	-	1,728.85	-	1,730.43
Total financial liabilities	883.61	-	3,497.45	-	4,381.06
Excess of financial liabilities over financial assets	840.34	(0.03)	1,063.59	-	1,903.89
Hedge for foreign currency risk	(217.56)	-	-	-	(217.56)
Net exposure of foreign currency risk	622.78	(0.03)	-	-	622.75
Sensitivity impact on Net liabilities/(assets) exposure at 10%	62.28	(0.00)	-	-	62.27

5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to USD and EURO currency.

The above table details the Company's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A negative number below indicates an increase in profit/equity where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit/equity and the balances below would be positive.

5.2 Forward foreign exchange contracts

Company had entered into forward foreign exchange contracts to cover specific foreign currency payments and receipts.

Notes to the Financial Statements for the year ended March 31, 2017

43. Financial instruments (contd.)

6 Interest rate risk management

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in PLR and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The table in 6.1 provides a break-up of the Company's fixed and floating rate borrowings:

6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

(₹ in crores)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Gross amount	Interest rate sensitivity @0.50%	Gross amount	Interest rate sensitivity @0.50%	Gross amount	Interest rate sensitivity @0.50%
Fixed loan	890.16	-	1,167.97	-	1,230.91	-
Variable loan	3,245.24	16.23	3,713.89	18.57	2,683.19	13.42
Total	4,135.40	16.23	4,881.86	18.57	3,914.10	13.42

7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

7.1 Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

8 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes to the Financial Statements for the year ended March 31, 2017

43. Financial instruments (contd.)

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in crores)

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Financial assets												
Non-current												
Investments	-	-	11.69	11.69	-	-	56.47	56.47	-	-	242.68	242.68
Loans	-	5.47	-	5.47	-	118.90	1.99	120.89	-	271.42	1.65	273.06
Others	-	-	-	-	-	46.57	-	46.57	-	37.10	-	37.10
Total non-current financial assets	-	5.47	11.69	17.16	-	165.47	58.46	223.93	-	308.52	244.33	552.84
Current												
Investments	18.43	-	-	18.43	17.51	-	-	17.51	17.40	-	-	17.40
Trade receivables	478.09	-	-	478.09	1540.54	-	-	1,540.54	1,444.16	0.10	-	1,444.26
Cash and cash equivalents	633.20	-	-	633.20	490.04	-	-	490.04	335.23	-	-	335.23
Bank balances other than cash and cash equivalents	70.91	-	-	70.91	30.45	-	-	30.45	1.28	-	-	1.28
Loans	427.83	-	-	427.83	107.01	-	-	107.01	95.37	30.79	-	126.16
Total current financial assets	1,628.46	-	-	1,628.46	2,185.55	-	-	2,185.55	1,893.43	30.89	-	1,924.32
Total financial assets	1,628.46	5.47	11.69	1,645.62	2,185.55	165.47	58.46	2,409.48	1,893.43	339.41	244.33	2,477.17
Financial liabilities												
Non-current												
Borrowings	-	2,412.40	1,225.24	3,637.64	-	3,082.01	794.64	3,876.65	-	2,196.42	454.21	2,650.63
Total non-current financial liabilities	-	2,412.40	1,225.24	3,637.64	-	3,082.01	794.64	3,876.65	-	2,196.42	454.21	2,650.63
Current												
Borrowings	318.17	-	-	318.17	651.31	-	-	651.31	731.06	-	-	731.06
Trade payables	198.40	-	-	198.40	294.92	-	-	294.92	232.21	-	-	232.21
Other financial liabilities	254.34	-	-	254.34	604.77	-	-	604.77	759.99	1.22	5.95	767.16
Total current financial liabilities	770.91	-	-	770.91	1,551.00	-	-	1,551.00	1,723.26	1.22	5.95	1,730.43
Total financial liabilities	770.91	2,412.40	1,225.24	4,408.55	1,551.00	3,082.01	794.64	5,427.65	1,723.26	2,197.64	460.16	4,381.06

Notes to the Financial Statements for the year ended March 31, 2017

43. Financial instruments (contd.)

9 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets. Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Particulars	Fair values as at March 31, 2017 (₹ in crores)	Fair values as at March 31, 2016 (₹ in crores)	Fair values as at April 01, 2015 (₹ in crores)	Level*	Valuation technique and key inputs
Financial assets					
Non-current investments					
Investment in unquoted equity instruments					
BVM Finance Pvt Ltd	8.54	7.50	12.58	3	Net assets method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Sintex Oil and Gas Ltd	0.05	0.05	0.05	3	
Healwell International Ltd	3.00	3.00	3.00	3	
Sixvents Power and Engineering Ltd	0.01	0.01	-	3	
Investment in quoted equity instruments					
Dena Bank	0.09	0.09	0.09	1	Quoted bid prices in an active market
Investment in preference shares					
Sintex-BAPL Limited	-	45.82	44.01	3	Net assets method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Others					
Derivatives	-	46.57	37.10	2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates) at the end of the reporting period) and contract forward rates discounted at a rate that reflects the credit risk of various counter parties
Current investments					
Investments in Mutual funds	18.43	17.51	17.40	1	Quoted bid prices in an active market

*There were no transfers between Level 1 and Level 2 during the period.

Notes to the Financial Statements

for the year ended March 31, 2017

44. Income taxes relating to continuing operations

a. Income taxes recognised in Statement of Profit and Loss

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current tax		
In respect of the current year	24.64	6.32
Short provision for tax of earlier years	2.25	-
Deferred tax		
In respect of the current year	(23.17)	24.83
Total income tax expense recognised in respect of continuing operations	3.72	31.15

b. Tax reconciliation

The income tax expense for the year relating to continuing operations can be reconciled to the accounting profit as follows:

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before taxes from continuing operations	131.20	141.47
Enacted tax rate in India	34.608%	34.608%
Expected income tax benefit/(expense) at statutory tax rate	(45.41)	(48.96)
Effect of:		
Investment allowance tax credits	9.72	17.81
Tax effect on non-deductible expenses	(3.25)	-
Effect of income which is taxed at special rates	0.30	-
Others	5.05	-
Short Provision for tax of earlier years	(2.25)	-
Permanent difference in nature of Assets/Demerger effect	32.12	-
Income taxes recognised in the Statement of Profit and Loss	(3.72)	(31.15)

The tax rate used for the 2016-17 and 2015-16 reconciliations above is the corporate tax rate of 30% plus surcharge @ 12% and cess @ 3% payable by corporate entities in India on taxable profits under the Indian tax laws.

c. Income tax recognised directly in equity

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Deferred tax		
Arising on transactions with owners:		
Initial recognition of the equity component of compounded financial instrument (FCCBs)	65.93	-
Conversion of portion of convertible financial instrument (FCCBs) into equity	(17.70)	-
Total income tax recognised directly in equity	48.22	-

Notes to the Financial Statements for the year ended March 31, 2017

44. Income taxes relating to continuing operations (contd.)

d. Income tax recognised in other comprehensive income

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(0.03)	0.56
Total income tax recognised in other comprehensive income	(0.03)	0.56
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	(0.03)	0.56
Items that will be reclassified to Statement of Profit and Loss	-	-
	(0.03)	0.56

e. Components of Deferred Tax (charge)/benefit for the year

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation and amortisation	29.49	39.82
Unabsorbed depreciation	(42.51)	(14.09)
Disallowances under Income Tax	5.29	(0.72)
Provision of bad and doubtful debts	3.92	(0.18)
Others	4.99	-
MAT Credit Taken	(24.34)	-
Total deferred tax for the year	(23.17)	24.83

f. Components of deferred tax assets and liabilities

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Deferred tax liabilities			
(i) Difference between book and tax depreciation	396.41	706.96	495.01
(ii) Recognition of equity component of financial instruments (FCCBs) (Refer (c) above)	48.22	-	-
(iii) Related to Ind AS Adjustment	6.37	-	7.38
	451.00	706.96	502.39
(b) Deferred tax assets			
(i) Disallowances under Income Tax	7.46	12.75	9.11
(ii) Provision for doubtful debts & advances	0.29	4.22	3.30
(iii) Unabsorbed depreciation	110.38	106.47	35.26
(iv) Minimum Alternate Tax	247.32	375.20	253.07
(v) Demerger expense as per section 35DD	0.04	-	-
(vi) Related to Ind AS Adjustment	-	2.70	-
	365.49	501.34	300.74
Total	85.51	205.62	201.65

Notes to the Financial Statements for the year ended March 31, 2017

45. The Company has spent ₹9.40 crore (Previous Year ₹1.31 crore) towards schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

- I. Gross amount required to be spent by the Company during the year ₹12.11 crore (Previous Year ₹9.38 crores)
- II. Amount spent during the year on:

Particulars	(₹ in crore)
i) Construction/Acquisition of any asset	-
	(1.00)
ii) For purposes other than (i) above	9.40
	(0.31)
[figures in brackets pertain to 2015-16]	

46. Share-based payments

Employee stock option plan of the Company

The Compensation Committee of the Board of Directors of the Company at its meeting held on September 28, 2015 resolved to wind up the Sintex Industries Limited Employee Stock Option Scheme, 2006 (ESOP Scheme) to comply with applicable provisions of SEBI (Share Based Employee Benefits) Regulations, 2014. Accordingly, the trustees of the said Sintex Employee Welfare Trust have divested the entire shareholding lying with the Trust. The Company has recovered the outstanding amount of loan in respect of shares allotted to ESOP Trust and has adjusted the difference between the cost of shares and amount of loan recovered against the balance of Employee Stock Options Outstanding account as per the Guidance Note on Accounting for Employee Share-based Payments. Consequent to winding up of the ESOP Scheme, balance amount of ₹ Nil (Previous year ₹3.76 crore) of Employee Stock Options outstanding account has been transferred to General Reserve.

47. Earnings per share

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Basic Earnings per share		
From continuing operations	2.62	2.50
From discontinuing operations	-	9.95
Total basic earnings per share	2.62	12.45
Diluted Earnings per share		
From continuing operations	2.62	2.50
From discontinuing operations	-	9.95
Total diluted earnings per share	2.62	12.45

Notes to the Financial Statements for the year ended March 31, 2017

47. Earnings per share (contd.)

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit for the year attributable to owners of the Company (₹ in crores)	127.48	549.95
Dividends paid on convertible non-participating preference shares	-	-
Earnings used in the calculation of basic earnings per share (₹ in crores)	127.48	549.95
Profit for the year from discontinued operations attributable to owners of the Company	-	(439.63)
Earnings used in the calculation of basic earnings per share from continuing operations (₹ in crores)	127.48	110.32
Weighted average number of equity shares for the purposes of basic earnings per share	48,66,19,681	44,18,43,050
Earnings per share from continuing operations - Basic (₹)	2.62	2.50
Earnings per share from discontinuing operations - Basic (₹)	-	9.95

Diluted earnings per share

The earnings used in calculation of diluted earnings per share are as follows.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Earnings used in the calculation of basic earnings per share (₹ in crores)	127.48	549.95
Interest on convertible notes (after tax at 30%)	-	-
Earnings used in the calculation of diluted earnings per share (₹ in crores)	127.48	549.95
Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	(439.63)
Earnings used in the calculation of diluted earnings per share from continuing operations (₹ in crores)	127.48	110.32
Weighted average number of equity shares for the purposes of basic earnings per share	48,66,19,681	44,18,43,050
Earnings per share from continuing operations - Basic (₹)	2.62	2.50
Earnings per share from discontinuing operations - Basic (₹)	-	9.95

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Weighted average number of equity shares used in the calculation of basic earnings per share	48,66,19,681	44,18,43,050
Shares deemed to be issued for no consideration in respect of:		
a. employee options	-	-
b. partly paid equity shares	-	-
c. convertible bonds	-	-
Weighted average number of equity shares used in the calculation of Diluted EPS	48,66,19,681	44,18,43,050

Note: There are no potential equity shares issued by the Company which are anti-dilutive in its nature.

Notes to the Financial Statements for the year ended March 31, 2017

48. Operating lease arrangements

The Company as lessee

Leasing arrangements

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Office premises	2.15	1.25
Total	2.15	1.25

The lease agreements are executed for a period of 12 months with a renewal clause.

49. Interest on borrowings is net of interest subsidy of ₹129.52 crore.

50. Commitments

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	215.00	270.31	865.52
Total	215.00	270.31	865.52

51. Contingent liabilities

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
a. Company has imported machineries duty free under EPCG Scheme for which duty saved amount *	323.49	103.31	9.38
b. Disputed demand not acknowledged as debt against which the Company has preferred appeal	18.80	18.67	18.73
c. Corporate guarantees given to Financial Institution / Bank on behalf of Subsidiaries for facilities availed by them	-	867.63	202.53
d. Performance guarantees given to customers by bankers	-	144.68	79.48
Total	342.29	1,134.29	310.12

* Against duty saved of ₹323.49 crores company has export obligation of ₹1114.58 crore, out of which company has already completed export obligation of ₹403.17 crore for which company has applied for Export obligation discharge certificate to concerned licensing authority.

(₹ in crores)

Disputed demand not acknowledged as debt against which the Company has preferred appeal	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Income Tax *	14.76	13.28	12.80
Sales Tax/ Value Added Tax	-	1.35	1.89
Service tax*	4.04	4.04	4.04
Total	18.80	18.67	18.73

* The amount deposited with the authority in respect of above Income Tax and Service Tax demands of ₹14.76 crore (previous year ₹13.28 crore) and ₹4.04 crore (previous year ₹4.04 crore) respectively

Notes to the Financial Statements for the year ended March 31, 2017

52. Contingent assets

The are no contingent assets recognised as at March 31, 2017.

53. Additional disclosure with respect to Cash and Bank on Specified Bank Note

(₹ in crores)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	3.64	0.17	3.81
(+) Permitted receipts	0.00	0.41	0.41
(-) Permitted payments	0.08	0.17	0.25
(-) Amount deposited in Banks	3.56	0.00	3.56
Closing cash in hand as on December 31, 2016	-	0.41	0.41

Note: For the purposes of this clause, the term 'Specified Bank Notes'(SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November, 2016

54. Approval of financial statements

The financial statements were approved for issue by the board of directors on 19th May, 2017

In terms of our Report attached

For Shah & Shah Associates

Chartered Accountants
(FRN 113742W)

Vasant C. Tanna

Partner

Membership No: 100422

Ahmedabad

Date : May 19, 2017

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman

(DIN : 00171089)

Arun P. Patel, Vice Chairman

(DIN : 00830809)

Rahul A. Patel, Managing Director (Group)

(DIN : 00171198)

Amit D. Patel, Managing Director (Group)

(DIN : 00171035)

S. B. Dangayach, Managing Director

(DIN : 01572754)

Ahmedabad

Date : May 19, 2017

Ramnikbhai H. Ambani, Director

(Din : 00004785)

Ashwin Lalbhal Shah, Director

(DIN : 00171364)

Narendra Kumar Bansal, Director

(DIN : 03086069)

Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head- Accounts, Audit & CFO

INDEPENDENT AUDITOR'S REPORT

The Members of
SINTEX INDUSTRIES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **SINTEX INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprises of the consolidated Balance Sheet as at 31st March, 2017, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow statement for the year then ended and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and

auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

1. We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of ₹180.73 crores

as at 31st March, 2017, total revenues of ₹490.87 crores , total comprehensive income of ₹6.77 crores and net increase in cash flows amounting to ₹8.87 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

2. The comparative Financial information of the Company for the year ended on 31st March,2016 and the transition date opening balance sheet as at 1st April,2015 included in these consolidated Ind AS financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules,2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 7th June,2016 and 7th May,2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind As have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiary included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the report of the other auditors.
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

- e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Holding Company and its subsidiary and the operating effectiveness of such controls, refer to our Separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group. Refer Note 56 on Contingent Liabilities to the consolidated financial statements.
 - (ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
 - (iv) In the consolidated financial statements, holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016, by the Holding Company and its subsidiary company incorporated in India has been requisitely disclosed, on the basis of information available with the Company.

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN:113742W

VASANT C.TANNA
PARTNER

Place : Ahmedabad
Date : 19th May, 2017

Membership Number: 100422

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under “Report on other legal and regulatory requirements” of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control over financial reporting of SINTEX INDUSTRIES LIMITED (“the Holding Company”) as of 31st March, 2017 in conjunction with our audit of the consolidated financial statements of the Holding Company and its subsidiary company incorporated in India as of that date.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the other auditors of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For **SHAH & SHAH ASSOCIATES**

Chartered Accountants

FRN:113742W

VASANT C. TANNA

PARTNER

Membership Number: 100422

Place : Ahmedabad
Date : 19th May, 2017

Consolidated Balance Sheet

as at March 31, 2017

(₹ in crores)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	3,761.09	7,430.28	4,921.53
(b) Capital work-in-progress		2,493.23	184.00	226.76
(c) Goodwill	6	-	260.47	251.52
(d) Other intangible assets	5	0.68	19.97	19.59
(e) Intangible assets under development		-	1.01	-
(f) Financial assets				
(i) Investments	8	11.69	68.01	254.69
(ii) Loans	9	5.47	19.44	107.21
(iii) Other financial assets	10	-	46.57	37.10
(g) Other non-current assets	11	228.16	989.82	1,342.62
(h) Deferred tax assets (net)	12	-	2.95	2.53
(i) Other tax assets (net)	13	-	26.54	14.78
Total non-current assets		6,500.32	9,049.06	7,178.33
Current assets				
(a) Inventories	14	206.71	606.39	516.99
(b) Financial assets				
(i) Investments	15	18.43	201.05	282.81
(ii) Trade receivables	16	627.02	2,236.34	2,302.92
(iii) Cash and cash equivalents	17	643.99	709.37	423.05
(iv) Bank balances other than (iii) above	18	70.91	31.49	1.96
(iv) Loans	19	427.83	108.99	126.16
(c) Other current assets	20	123.77	618.96	207.49
Total current assets		2,118.66	4,512.59	3,861.38
TOTAL ASSETS		8,618.98	13,561.65	11,039.71
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	21	54.47	44.66	42.44
(b) Other equity	22	3,858.39	5,508.31	4,714.93
Equity attributable to owners		3,912.86	5,552.97	4,757.37
Non-controlling Interest	41	-	2.07	-
Total equity		3,912.86	5,555.04	4,757.37
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	3,637.64	5,141.36	3,148.95
(ii) Other financial liabilities	24	-	39.30	113.34
(b) Provisions	25	13.18	22.46	18.08
(c) Deferred tax liabilities (net)	12	85.51	225.52	212.88
Total non-current liabilities		3,736.33	5,428.64	3,493.25
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	26	388.08	688.88	773.68
(ii) Trade payables	27	295.36	783.24	626.33
(iii) Other financial liabilities	28	254.34	776.80	1,173.07
(b) Other current liabilities	29	17.40	223.59	123.69
(c) Provisions	30	5.74	105.46	92.32
(d) Current tax liabilities (net)	31	8.87	-	-
Total current liabilities		969.79	2,577.97	2,789.09
Total liabilities		4,706.12	8,006.61	6,282.34
TOTAL EQUITY AND LIABILITIES		8,618.98	13,561.65	11,039.71

See accompanying notes 1 to 59 to the consolidated financial statements

In terms of our Report attached

For Shah & Shah AssociatesChartered Accountants
(FRN 113742W)**Vasant C. Tanna**

Partner

Membership No: 100422

Ahmedabad

Date : May 19, 2017

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman

(DIN : 00171089)

Arun P. Patel, Vice Chairman

(DIN : 00830809)

Rahul A. Patel, Managing Director (Group)

(DIN : 00171198)

Amit D. Patel, Managing Director (Group)

(DIN : 00171035)

S. B. Dangayach, Managing Director

(DIN : 01572754)

Ahmedabad

Date : May 19, 2017

Ramnimbhai H. Ambani, Director

(Din : 00004785)

Ashwin Lalbhal Shah, Director

(DIN : 00171364)

Narendra Kumar Bansal, Director

(DIN : 03086069)

Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head- Accounts, Audit & CFO

Consolidated Statement of Profit and Loss

for the year ended March 31, 2017

(₹ in crores)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I Revenue from operations	32	1,921.32	940.86
II Other income	33	97.16	76.38
III Total Income (I + II)		2,018.48	1,017.24
Expenses:			
a) Cost of materials consumed	34	899.88	530.17
b) Purchases of stock-in-trade	35	493.19	52.56
c) Changes in inventories of finished goods and work-in- progress	36	(25.11)	0.80
d) Employee benefits expense	37	95.92	60.91
e) Finance costs	38	93.32	67.88
f) Depreciation and amortisation expense	7	132.22	72.53
g) Other expenses	39	187.51	90.14
IV Total expenses		1,876.93	874.99
V Profit before tax (III- IV)		141.55	142.25
VI Tax expense:			
a) Current tax		28.22	6.58
b) Short Provision for tax of earlier years		2.25	-
b) Deferred tax		(23.17)	24.83
		7.30	31.41
VII Profit after tax from continuing operations (V-VI)		134.25	110.84
VIII Profit from discontinued operations before tax		-	694.99
IX Tax expense of discontinued operations		-	177.29
X Profit from discontinued operations after tax (VIII-IX)		-	517.70
XI Profit for the year (VII+X)		134.25	628.54
Other comprehensive income:			
A (i) Items that will not be reclassified to profit or loss			
(a) Equity instruments through other comprehensive income		1.04	(5.08)
(b) Remeasurement of the net defined benefit plans		0.08	(1.65)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.03)	0.56
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XII Other comprehensive income/(loss) for the year (A (i-ii)+B(i-ii))		1.09	(6.17)
XIII Total comprehensive income for the year (XI+XII)		135.34	622.37
XIV Earnings per equity share (for continuing operations) Face value of ₹ 1 each	43		
a) Basic (in ₹)		2.76	2.51
b) Diluted (in ₹)		2.76	2.51
Earnings per equity share (for discontinued operations) Face value of ₹1 each	43		
a) Basic (in ₹)		-	11.72
b) Diluted (in ₹)		-	11.72
Earnings per equity share (for continuing and discontinued operations) Face value of ₹1 each	43		
a) Basic (in ₹)		2.76	14.23
b) Diluted (in ₹)		2.76	14.23
See accompanying notes 1 to 59 to the consolidated financial statements			

In terms of our Report attached

For Shah & Shah Associates

Chartered Accountants
(FRN 113742W)

Vasant C. Tanna

Partner

Membership No: 100422

Ahmedabad

Date: May 19, 2017

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman

(DIN : 00171089)

Arun P. Patel, Vice Chairman

(DIN : 00830809)

Rahul A. Patel, Managing Director (Group)

(DIN : 00171198)

Amit D. Patel, Managing Director (Group)

(DIN : 00171035)

S. B. Dangayach, Managing Director

(DIN : 01572754)

Ahmedabad

Date: May 19, 2017

Ramnikbhai H. Ambani, Director

(Din : 00004785)

Ashwin Lalbhal Shah, Director

(DIN : 00171364)

Narendra Kumar Bansal, Director

(DIN : 03086069)

Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head- Accounts, Audit & CFO

Statement of cash flows

for the year ended March 31, 2017

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash flow from operating activities		
Net profit before tax	141.55	837.24
Adjustments for:		
Profit/(Loss) on sale of investments	(0.87)	11.78
Fair value (gain)/loss	(1.82)	(1.65)
Unrealised foreign exchange (gain)/loss (Net)	-	(24.15)
Exceptional items	-	5.68
Interest income	(30.75)	(50.08)
Dividend income	-	(3.68)
Depreciation and amortisation expenses	132.22	303.22
Finance cost	93.32	283.67
Provision for doubtful debts	-	2.74
Loss on sale / impairment of fixed assets	0.07	6.94
Operating profit before working capital changes	333.72	1,371.71
Adjustments for increase/decrease in Operating Assets/ Liabilities:		
Trade receivables, loans and other assets	140.77	(158.33)
Inventories	(152.60)	(89.40)
Trade payables, other liabilities and provisions	330.17	(35.87)
Cash generated from operations	652.06	1,088.11
Direct taxes paid (Net)	(89.25)	(200.67)
Net cash generated from operations (A)	562.81	887.44
B. Cash flow from investing activities		
Purchase of property, plant and equipment/addition to capital-work-in progress	(2,719.29)	(2,316.70)
Sale of fixed assets	0.87	2.45
Loans given/received back from subsidiaries	-	-
(Purchase)/sale of current investments	0.89	70.82
(Purchase)/sale of non-current investments	(3.95)	182.94
Interest received	30.75	75.10
Dividend received	-	3.68
Bank deposits placed	(40.46)	(29.53)
Net cash used in investing activities (B)	(2,731.19)	(2,011.24)
C. Cash flow from financing activities		
Proceeds from share capital	688.04	2.25
Proceeds from ESOP Trust	-	8.80
Proceeds from long term borrowings	1,537.14	2,639.53
Repayments from long term borrowings	(60.06)	(697.32)
Net increase/(decrease) in working capital borrowings	304.18	(84.80)
Finance cost	(93.32)	(420.53)
Dividend paid	(37.62)	(37.52)
Net cash used in financing activities (C)	2,338.36	1,410.41
Net increase/(decrease) in cash and cash equivalents (A+B+C)	169.98	286.61
Cash and cash equivalents at the beginning of the year	709.37	423.05
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	-	(0.29)
Transfer on account of demerger scheme	(235.36)	-
Cash and cash equivalents at the end of the year	643.99	709.37

In terms of our Report attached

For Shah & Shah Associates
Chartered Accountants
(FRN 113742W)

Vasant C. Tanna
Partner
Membership No: 100422

Ahmedabad
Date : May 19, 2017

For and on behalf of Board of Directors

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Ahmedabad
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Hitesh T. Mehta
Company Secretary
Prashant D. Shah
Head- Accounts, Audit & CFO

Consolidated Statement of changes in equity for the year ended March 31, 2017

A. Equity share capital

Particular	(₹ in crores)
Balance as at April 01, 2015	42.44
Changes in equity share capital during the year	2.22
Balance as at March 31, 2016	44.66
Changes in equity share capital during the year	9.81
Balance as at March 31, 2017	54.47

B. Other equity

Particulars	Reserves and surplus										Item of Other Comprehensive income/ (Loss)			Total Equity Attributable to the owners	Non Controlling Interest	Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Debenture redemption reserve	Employee Stock options outstanding account	Foreign currency monetary items translation difference account	Equity component of compound financial instruments (FCCBs)	General reserve	Retained earnings	Foreign Currency Translation Reserve	Equity instruments through other comprehensive income	Remeasurement of net defined benefit plan				
Balance as at April 01, 2015	47.80	15.05	1,549.05	167.10	29.41	(6.35)	14.19	311.79	2,580.64	2.36	3.89	-	-	4,714.93	-	4,714.93
Profit for the year	-	-	-	-	-	-	-	-	628.54	-	(5.08)	(1.09)	-	628.54	2.07	630.61
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	(6.17)	-	(6.17)
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-	-	-	628.54	-	(5.08)	(1.09)	-	622.37	2.07	624.44
Recognition of share-based payments	-	-	-	-	(25.46)	-	-	-	-	-	-	-	-	(25.46)	-	(25.46)
Transfer to debenture redemption reserve	-	-	-	40.42	-	-	-	-	(40.42)	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	(87.50)	(3.76)	-	-	137.26	(46.00)	-	-	-	-	-	-	-
Transfer to Equity Share Capital	-	-	-	-	(0.19)	-	-	-	-	-	-	-	-	(0.19)	-	(0.19)
Amount Recovered from ESOP Trust	-	-	34.26	-	-	-	-	-	-	-	-	-	-	34.26	-	34.26
Foreign exchange variations during the year	-	-	-	-	-	6.35	-	-	-	75.69	-	-	-	82.04	-	82.04
Conversion of Foreign currency convertible bonds in to equity shares	-	-	130.71	-	-	-	(14.19)	-	0.37	-	-	-	-	116.89	-	116.89
Payment of dividends (including tax on dividends)	-	-	-	-	-	-	-	-	(36.53)	-	-	-	-	(36.53)	-	(36.53)
Balance as at March 31, 2016	47.80	15.05	1,714.02	120.02	-	-	-	449.05	3,086.60	78.05	(1.19)	(1.09)	-	5,508.31	2.07	5,510.38
Profit for the year	-	-	-	-	-	-	-	-	134.25	-	1.04	0.05	-	134.25	-	134.25
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	1.09	-	1.09
Total comprehensive income for the year	-	-	-	-	-	-	-	-	134.25	-	1.04	0.05	-	135.34	-	135.34
Transfer on account of demerger (Refer note 44)	(47.80)	(15.05)	(1,714.02)	-	-	-	-	(111.74)	(50.33)	(78.05)	-	-	-	(2,516.99)	(2.07)	(2,519.06)
Amount received from right issue (Net of right issue expenses ₹ 3.57 crore)	-	-	488.74	-	-	-	-	-	-	-	-	-	-	488.74	-	488.74
Transfer to reserve	-	-	-	-	-	-	-	91.27	(27.42)	-	-	-	-	-	-	-
Issue of FCCBs	-	-	-	(63.85)	-	-	91.12	-	-	-	-	-	-	91.12	-	91.12
Conversion of Foreign currency convertible bonds in to equity shares	-	-	189.49	-	-	-	-	-	-	-	-	-	-	189.49	-	189.49
Payment of dividends (including tax on dividends)	-	-	-	-	-	-	-	-	(37.62)	-	-	-	-	(37.62)	-	(37.62)
Balance as at March 31, 2017	-	-	678.23	56.17	-	-	91.12	428.58	2,605.48	-	(0.15)	(1.04)	-	3,858.39	-	3,858.39

In terms of our Report attached For and on behalf of Board of Directors

For Shah & Shah Associates
Chartered Accountants
(FRN 113742W)

Vasant C. Tanna
Partner
Membership No: 100422

Ahmedabad
Date: May 19, 2017

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Company Secretary
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Head- Accounts, Audit & CFO

Effect of Ind AS adoption on the consolidated balance sheet

as at March 31, 2016 and April 01, 2015

(₹ in crores)

Particulars	Notes	As at March 31, 2016			As at April 01, 2015		
		Previous GAAP	Effect of transition to Ind AS (Incl. Reclassification)	IND AS	Previous GAAP	Effect of transition to Ind AS (Incl. Reclassification)	IND AS
I ASSETS							
Non-current assets							
(a) Property, plant and equipment		7,430.28	-	7,430.28	4,921.53	-	4,921.53
(b) Capital work-in-progress	B, H	192.91	(8.91)	184.00	231.02	(4.25)	226.76
(c) Goodwill	L	258.85	1.62	260.47	251.52	-	251.52
(d) Other intangible assets		19.97	(0.01)	19.96	19.58	-	19.58
(e) Intangible assets under development		1.02	-	1.02	-	-	-
(f) Financial assets							
(i) Investments	E	69.20	(1.19)	68.01	250.80	3.89	254.69
(ii) Loans	J	1,422.72	(1,403.28)	19.44	1,727.13	(1,619.93)	107.20
(iii) Other financial assets	J, H	-	46.57	46.57	-	37.10	37.10
(g) Other non-current assets	J	49.59	940.23	989.82	44.26	1,298.36	1,342.62
(h) Deferred tax assets (net)		2.95	-	2.95	2.53	-	2.53
(i) Non-current tax assets (net)	J	-	26.54	26.54	-	14.78	14.78
Total non-current assets		9,447.49	(398.43)	9,049.06	7,448.38	(270.06)	7,178.32
Current assets							
(a) Inventories		606.39	-	606.39	516.99	-	516.99
(b) Financial assets							
(i) Investments	F	195.47	5.58	201.05	277.24	5.57	282.81
(ii) Trade receivables	C	2,241.79	(5.44)	2,236.34	2,305.43	(2.51)	2,302.92
(iii) Cash and cash equivalents	J	740.86	(31.49)	709.37	425.01	(1.96)	423.05
(iv) Bank balances other than (iii) above	J	-	31.49	31.49	-	1.96	1.96
(v) Loans	J	596.81	(487.82)	108.99	223.56	(97.38)	126.17
(c) Current tax assets (net)		-	-	-	-	-	-
(c) Other current assets	J	130.93	488.03	618.96	111.12	96.35	207.47
Total current assets		4,512.25	0.35	4,512.59	3,859.35	2.04	3,861.39
Total assets		13,959.74	(398.08)	13,561.65	11,307.73	(268.02)	11,039.71
II EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		44.66	-	44.66	42.44	-	42.44
(b) Other equity	G, I, C, E, F, D, B, L	5,465.81	42.49	5,508.30	4,655.32	59.61	4,714.93
Equity attributable to owners of the Company		5,510.47	42.49	5,552.96	4,697.76	59.61	4,757.37
Non-controlling Interest		2.07	-	2.07	-	-	-
Total equity		5,512.54	42.49	5,555.03	4,697.76	59.61	4,757.37
Liabilities							
Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings	B, I	5,150.80	(9.44)	5,141.36	3,181.73	(32.78)	3,148.95
(ii) Other financial liabilities	J	-	39.30	39.30	-	113.34	113.34
(b) Provisions		22.46	0.01	22.46	18.08	0.01	18.08
(c) Deferred tax liabilities (net)	D	619.04	(393.52)	225.52	471.91	(259.03)	212.87
(d) Other non-current liabilities	J	39.30	(39.30)	-	113.34	(113.34)	-
Total non-current liabilities		5,831.60	(402.95)	5,428.64	3,785.06	(291.81)	3,493.25
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		688.88	-	688.88	773.68	-	773.68
(ii) Trade payables	J	960.61	(177.37)	783.24	1,011.53	(385.20)	626.33
(iii) Other financial liabilities	J	-	776.80	776.80	-	1,173.07	1,173.07
(b) Other current liabilities	J	823.03	(599.43)	223.60	911.56	(787.87)	123.69
(c) Provisions	G	143.08	(37.62)	105.46	128.14	(35.82)	92.32
(d) Current tax liabilities (net)		-	-	-	-	-	-
Total current liabilities		2,615.60	(37.62)	2,577.98	2,824.91	(35.82)	2,789.09
Total liabilities		8,447.20	(440.58)	8,006.62	6,609.97	(327.62)	6,282.35
Total equity and liabilities		13,959.74	(398.08)	13,561.65	11,307.73	(268.02)	11,039.71

Effect of Ind AS adoption on the Statement of Profit and Loss

for the year ended March 31, 2016

(₹ in crores)

Particulars	Notes	For the year ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
I Revenue from operations	K	943.92	(3.06)	940.86
II Other income	F, H	77.28	(0.90)	76.38
III Total Income (I + II)		1,021.21	(3.96)	1,017.24
Expenses:				
a) Cost of materials consumed		530.17	-	530.17
b) Purchases of stock-in-trade		52.56	-	52.56
c) Changes in inventories of finished goods and work-in-progress		0.80	-	0.80
d) Employee benefits expense	A	61.71	(0.80)	60.91
e) Finance costs	B	66.21	1.67	67.88
f) Depreciation and amortisation expense	L	72.53		72.53
g) Other expenses	K, C	93.21	(3.06)	90.14
IV Total expenses		877.18	(2.19)	874.99
V Profit before tax (III- IV)		144.03	(1.77)	142.25
VI Tax expense:				
a) Current tax		6.58	-	6.58
b) Deferred tax	D	26.58	(1.75)	24.83
		33.16	(1.75)	31.41
VII Profit for the period from continuing operations (VII- VIII)		110.87	(0.03)	110.84
VIII Profit from discontinued operations before tax		695.62	(0.63)	694.99
IX Tax expense of discontinued operations		178.06	(0.77)	177.29
X Profit from discontinued operations after tax (VIII-IX)		517.57	0.13	517.70
XI Profit for the year (VII+X)		628.44	0.10	628.54
Other Comprehensive income/(loss):				
A (i) Items that will not be reclassified to profit or loss	A, E	-	(6.73)	(6.73)
(ii) Income tax relating to items that will not be reclassified to profit or loss"		-	0.56	0.56
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
XII Total other comprehensive income/(loss) (A (i-ii)+B(i-ii))		-	(6.17)	(6.17)
XIII Total comprehensive income for the year (XI+XII)		628.44	(6.07)	622.37

Reconciliation of total comprehensive income

for the year ended March 31, 2016

(₹ in crores)

Particulars	Notes	For the year ended March 31, 2016
Profit for the year (as per Indian GAAP)		628.44
Ind-AS adjustments		
Benefit/(Charge):		
Recognition of expected credit losses	C	(2.94)
Impact on finance cost due to interest calculation as per effective interest method	B	(1.94)
Actuarial gain/loss on employee benefits classified to OCI	A	1.65
Impact due to change in fair value of investments in financial instruments	F, H	0.01
Deferred tax on Ind-AS adjustment	D	2.64
Others		0.69
Net Profit for the year (as per Ind-AS)		628.54
Other Comprehensive Income (OCI) (after tax):		
Effect of measuring equity instruments at fair value through OCI	E	(5.08)
Actuarial gain/loss on employee benefits classified to OCI	A	(1.65)
Deferred tax on Ind AS adjustments	D	0.56
Total Comprehensive Income for the year (as per Ind-AS)		622.37

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015

(₹ in crores)

Particulars	Notes	As at March 31, 2016	As at April 01, 2015
Total equity (shareholders' funds) under previous GAAP		5,512.54	4,697.76
Dividends not recognised as liability until declared under Ind AS	G	37.62	35.82
Foreign currency convertible bonds classified as a equity under Ind AS	I	-	20.23
Provisions recognised for expected credit losses under Ind AS	C	(5.44)	(2.51)
Fair valuation of investments under Ind AS	E, F	4.39	9.46
Recognition of deferred taxes using the balance sheet approach under Ind AS	D	6.89	(3.32)
Impact on finance cost under Ind AS under effective interest rate method	B	(2.48)	(0.91)
Reversal of amortisation of goodwill	L	1.61	-
Others		(0.08)	0.83
Total equity (shareholders' funds) under Ind AS		5,555.04	4,757.37

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

Notes to the reconciliations

A Defined benefit obligation

Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined liability/ asset which is recognised in other comprehensive income. The actuarial losses for the year ended March 31, 2016 were ₹1.65 crore. This change does not affect total equity, but there is increase in profit before tax of ₹1.65 crore, and in total profit of ₹1.65 crore for the year ended March 31, 2016.

B Borrowings classified at amortised cost

Foreign currency convertible bonds issued and terms loans from banks and financial institution are carried at amortised cost under Ind AS and the interest expense has been recognised based on effective interest method.

C Expected credit loss

Under previous GAAP, the Company had created provision for impairment of trade receivables consisting only specific amounts for incurred loss. Under Ind AS, impairment allowance has been determined based on expected credit loss model (ECL). Due to this model, the Company impaired its trade receivables by ₹2.94 crore for the year ended as on March 31, 2016 (As at April 1, 2015 - ₹2.51 crore), which has been recognised in other expenses of ₹2.94 crore for the year ended March 31, 2016 and in retained earnings amount to ₹2.51 crore for the year ended as on April 01, 2015 and impact on deferred tax effect thereon of ₹1.02 crore (As at April 1, 2015 - ₹0.87 crore). The impairment of ₹2.76 crore (As at April 1, 2015 - ₹2.51 crore) and tax there on of ₹1.02 crore for the year ended March 31, 2016 has been recognised in the Statement of profit and loss.

D Impact on deferred tax

This includes the deferred tax impact on the Ind AS adjustments passed.

E Non-current investments classified as FVTOCI

Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is lower than the cost as per previous GAAP, resulting in a decrease in carrying amount by ₹5.08 crore as at March 31, 2016 and increase by ₹3.89 crore as at April 1, 2015. These changes do not affect profit before tax for the year ended March 31, 2016 because the changes in fair value are recognised in OCI.

F Current investments classified as FVTPL

Under previous GAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are recognised in statement of profit or loss. On transitioning to Ind AS, these financial assets have been measured at their fair values which is higher than cost as per previous GAAP, resulting in an increase in carrying amount by ₹5.58 crore as at March 31, 2016 and by ₹5.57 crore as at April 1, 2015. The corresponding deferred taxes have also been recognised as at March 31, 2016 (₹1.93 crore) and as at April 1, 2015 (₹1.93 crore). The net effect of these changes is an increase in total equity as at March 31, 2016 of ₹3.65 crore (As at April 1, 2015 - ₹3.64 crore), increase in profit before tax of ₹0.01 crore and in total profit for the year ended March 31, 2016 of ₹0.01 crore.

G Proposed dividend

Under previous GAAP, dividends on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements were approved for issue were recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when declared by the members in a general meeting. The effect of this change is an increase in total equity as at March 31, 2016 of ₹37.62 crore (As at April 1, 2015 - ₹35.82 crore), but does not affect profit before tax and total profit for the year ended March 31, 2016.

H Other financial assets classified as FVTPL

Under previous GAAP, other financial assets (Derivatives) were measured at cost. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are capitalised to Capital work-in-progress. On transitioning to

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

Ind AS, these financial assets have been measured at their fair values which is lower than cost as per previous GAAP, resulting in an decrease in carrying amount by ₹3.02 crore as at March 31, 2016 and by ₹3.12 crore as at April 1, 2015. Since the decrease in cost is capitalised to capital work in progress, the change does not effect profit before tax, total profit and total equity.

I FCCB bifurcation in equity and liability

The Company had taken loan by issue of foreign currency convertible bonds (FCCBs) into equity in earlier years, having outstanding amount of ₹151.14 crore as on April 1, 2015. Under Ind AS, these FCCBs were bifurcated into loan and equity component based on discounted cash flow method hence under Ind AS, the portion of equity would be accounted for as other equity reserves and unwinding interest on FCCBs as on transition date has been adjusted in opening retained earnings.

J Reclassification

In the preparation of these Ind-AS Financial Statements, the Company has made several presentation differences between previous GAAP and Ind- AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind- AS at the date of transition. Further, in these Financial Statements some line items are described differently under Ind AS compared to previous GAAP, although the assets and liabilities included in these line items are unaffected.

K Excise duty and sales commission

Under Indian GAAP, the Company accounted the revenue net of excise duties and sales tax. As per Ind AS, any sales incentives, discounts or rebates in any form, including cash discounts given to customers will be considered as selling price reductions and accounted as reduction from revenue. Excise duty will not be netted off from revenue and shown as a part of expenses.

L Reversal of amortisation of goodwill

Under Ind AS, goodwill is no longer amortised from the date of transition. As a result, Ind AS 101 requires that goodwill be tested for impairment in accordance with Ind AS 36 Impairment of Asset. When goodwill is amortised under previous GAAP, the carrying amount of accumulated amortisation is adjusted against the original cost of goodwill.

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1. General Information

Sintex Industries Limited ("the Company") is primarily engaged in the business of manufacture and sale of yarn and structured fabrics.

Sintex Industries Limited is a public limited company incorporated in India on June 01, 1931 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is at Kalol (North Gujarat) – 382 721, India.

The consolidated financial statements comprise financial statements of the company and its subsidiaries (collectively, the Group) for the year ended March 31, 2017. The principal activities of the Company and its subsidiaries (hereafter referred to as "the Group") are described in note 46.

2. Significant Accounting policies

I. Statement of compliance

The consolidated financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the Group prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Group's first Ind AS financial statements. Refer the Basis of preparation and presentation below for the details of first-time adoption exemptions availed by the Group.

II. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

III. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an entity are sufficient to give it power.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

IV. Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised in other comprehensive income and accumulated in equity as capital reserve or recognised directly in capital reserve depending on whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities with a Group.

Business combinations involving entities or business under common control are accounted using the pooling of interests method. In this method the assets and liabilities of combining entities are reflected at their carrying values, the only adjustment to be made is to harmonise accounting policies. The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, if the business combination has been effected after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to reserves.

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V. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated [Statement of comprehensive income/Statement of Profit and Loss]. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note IV.

VI. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for the estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Group recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

Export sales includes export benefits received as per the Import and Export Policy in respect of exports made under the said schemes as notified by government and recognised when there is reasonable assurance that the entity will comply with the conditions attached to them and that the benefit is received.

The Group provides warranty (refer to accounting policy on provisions) on certain products based on customer requirements for which liability is recognised at the time the product is sold.

Sale of services

Income from service rendered is recognised on accrual basis based on the terms of agreements and when services are rendered.

Dividend and interest income

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

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

Notes To The Consolidated Financial Statements

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VII. Leasing

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

The Group as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

The Group as a lessee

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

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

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

VIII. Foreign currency translations

The functional currency of the Company and its subsidiaries has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an

Notes To The Consolidated Financial Statements

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associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

IX. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

X. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

XI. Taxation

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

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

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Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 assets and liabilities 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

XII. 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 than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

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XIII. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on buildings and plant & machinery on a straight-line method and in case of other tangible assets, on written-down value method over the estimated useful lives of the assets as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for plant and machinery. In respect of plant and machinery, the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The useful lives of plant and machinery has been estimated as 22 years and 30 years for different categories as technically determined.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Intangible assets are amortised over their estimated useful lives on straight line method. The amortization rates used for various intangible assets are as under:

Class of assets	Years
Technical knowhow	20 years
Software	5 years

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Depreciation on the tangible fixed assets of the Company's foreign subsidiaries and jointly controlled entities has been provided on straight-line method as per the estimated useful life of such assets as follows:

Class of assets	Years
Buildings	15 to 60 years
Plant and machinery	11 to 30 years
Furniture and fixtures	3 to 10 years
Vehicles and aircrafts	5 to 10 years
Office equipment	3 to 10 years

XIV. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

XV. Impairment of non-current assets

At the end of each reporting period, the Group 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

XVI. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, traded goods and stores and spares are ascertained on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XVII. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

XVIII. Financial Instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and 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 and Loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

- i) The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.
- ii) In case of investments in subsidiaries, joint ventures and associates the Company has chosen to measure its investments at deemed cost.

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- iii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortised cost, FVOCI or FVTPL

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 16. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

c) Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the

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transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

d) Impairment

Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The group follows 'simplified approach' for recognition of impairment loss allowance on:

- I) Trade receivables or contract revenue receivables; and
- II) All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

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- ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

e) Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

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

b) Equity instruments

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the consolidated [statement of comprehensive income/Statement of Profit and Loss].

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

d) Derivative financial instruments

The Group has entered into forward exchange contracts or principal only swap which are in substance of forward exchange contracts to manage its exposure to foreign currency cash flows.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

e) Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification

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is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

XVIII. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

XIX. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares and potential common shares from outstanding stock options.

XXI. Government grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Grants of the State and Central Government which are intended to compensate a specified percentage of the interest on borrowings are netted off against the related interest expenditure on borrowings.

Government grants whose primary condition is that Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in the period in which they become receivable.

Notes To The Consolidated Financial Statements

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XXII. First time adoption – mandatory exceptions, optional exemptions

a. Overall principle

The Group has prepared the consolidated balance sheet as per Ind AS as on the transition date by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exception and certain optional exemptions availed by the Group as detailed below.

b. Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

c. Classification of debt instruments

The Group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

e. Assessment of embedded derivatives

The Group has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

f. Past business combinations

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date. Consequently,

- The Group has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the consolidated balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The above exemption in respect of business combinations has also been applied to past acquisitions of investments in associates in which the activity of the joint operation constitutes a business, as defined in Ind AS 103.

g. Deemed cost for property, plant and equipment, investment property, and intangible assets

The Group has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognised as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

h. Cumulative translation differences on foreign operations

The Group has not elected the option to reset the cumulative translation differences on foreign operations that exist as of the transition date to zero.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

i. Equity investments at FVTOCI

The Group has designated certain investments in equity shares at FVTOCI on the basis of facts and circumstances that existed at the transition date.

3. Critical Judgements in applying accounting policies and key sources of estimation uncertainty

3.1 Critical judgements in applying accounting policies

In the course of applying the policies outlined in all notes under section 2 above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

3.2 Key sources of estimation uncertainty

i) Useful lives and residual value of property, plant and equipment

Group reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly useful lives are reviewed annually using the best information available to the Management.

ii) Fair value measurements and valuation process

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 49.

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for the year ended March 31, 2017

4. Property, Plant and Equipment

(₹ in crores)

Particulars	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture, fixtures and Office equipments	Vehicles	Total
Cost or deemed cost							
At April 01, 2015	320.90	5.06	372.52	4,191.55	9.98	21.52	4,921.53
Additions	89.87	-	386.61	2,283.78	5.67	9.64	2,775.57
Foreign Currency Translation Reserve	1.54	-	36.75	81.76	4.36	1.60	126.01
Disposals	0.24	-	13.98	27.64	2.45	5.31	49.62
At 31 March, 2016	412.07	5.06	781.90	6,529.45	17.56	27.45	7,773.49
Additions (Refer note below)	176.28	-	0.88	187.40	2.86	2.18	369.60
Transfer on account of demerger/ Divestment of a subsidiary (Refer note 40 & 44)	(118.43)	(5.06)	(432.13)	(3,595.50)	(8.98)	(12.88)	(4,172.97)
Disposals	-	-	-	(0.68)	-	(1.04)	(1.72)
At 31 March, 2017	469.93	-	350.65	3,120.67	11.44	15.71	3,968.40
Accumulated depreciation and impairment At April 01, 2015							
Charged to Statement of Profit and Loss during the year	-	0.12	23.98	245.92	2.53	10	282.55
Capitalised during the year	-	-	-	4.65	-	-	4.65
Foreign currency translation reserve	-	-	21.49	63.66	3.93	0.92	90.00
Impairment Loss	-	-	-	6.24	-	-	6.24
Disposals	-	-	9.51	24.40	2.02	4.3	40.23
At 31 March, 2016	-	0.12	35.96	296.07	4.44	6.62	343.21
Transfer on account of demerger (Refer note 44)	-	(0.12)	(32.48)	(229.23)	(2.48)	(2.42)	(266.73)
Charged to Statement of Profit and Loss during the year	-	-	11.62	114.87	2.08	3.50	132.07
Impairment Loss	-	-	-	-	-	-	-
Disposals	-	-	-	(0.38)	-	(0.85)	(1.23)
At 31 March, 2017	-	-	15.10	181.32	4.03	6.86	207.31
Net book value							
At April 01, 2015	320.90	5.06	372.52	4,191.55	9.98	21.52	4,921.53
At March 31, 2016	412.07	4.94	745.94	6,233.38	13.12	20.83	7,430.28
At March 31, 2017	469.93	-	335.55	2,939.35	7.41	8.85	3,761.09

4.1 Impairment losses recognised in the year

The Company evaluates impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

The review led to the recognition of an impairment loss of ₹ Nil (for the year ended March 31, 2016: ₹6.24 crores) in plant and machinery which has been recognised in Statement of profit and loss. The management has reviewed the recoverability of the asset and has concluded that asset which were not in usable condition charged to Statement of profit and loss as impairment loss at their Written down value.

4.2 Addition to fixed assets include Capitalisation of borrowing cost pertaining to qualifying assets of ₹99.84 crores (Previous year ₹286.80 crore) and Foreign Exchange Capitalisation of ₹ Nil (Previous year ₹50.55 crores)

4.3 In case of freehold land capitalised during the year title deed/conveyance deed in respect of ₹116.05 crores in favour of the company is pending.

4.4 All the property, plant and equipments of the Company have been pledged to secure borrowings of the Company Refer note 23 and 26.

Notes To The Consolidated Financial Statements

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5. Other intangible assets

(₹ in crores)

Particulars	Technical knowhow	ERP software	Total
Cost or deemed cost			
As at April 01, 2015	8.16	11.43	19.59
Additions		3.40	3.40
Foreign currency translation reserve		2.90	2.90
Deductions		1.80	1.80
As at March 31, 2016	8.16	15.93	24.09
Transfer on account of demerger (Refer note 44)	(8.16)	(15.33)	(23.49)
Additions	-	0.34	0.34
As at March 31, 2017	-	0.94	0.94
Accumulated amortisation and impairment			
Charged to Statement of Profit and Loss during the year	0.64	3.13	3.77
Foreign currency translation reserve		2.15	2.15
Disposals		1.8	1.80
As at March 31, 2016	0.64	3.48	4.12
Transfer on account of demerger (Refer note 44)	(0.64)	(3.37)	(4.01)
Charged to Statement of Profit and Loss during the year	-	0.15	0.15
As at March 31, 2017	-	0.26	0.26
Net book value			
As at April 01, 2015	8.16	11.43	19.59
As at March 31, 2016	7.52	12.45	19.97
As at March 31, 2017	-	0.68	0.68

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6. Goodwill

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cost or deemed cost	-	352.26	320.48
Accumulated impairment losses	-	91.79	68.96
Total	-	260.47	251.52

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cost or deemed cost			
Balance at beginning of year	352.26	320.48	348.72
Addition during the year		1.11	23.57
Foreign currency translation reserve		30.67	(51.81)
Transfer on account of demerger scheme	(352.26)	-	-
Balance at end of year	-	352.26	320.48
Accumulated impairment losses			
Balance at beginning of year	91.79	68.96	60.99
Amortization during the year		16.90	17.97
Foreign currency translation reserve		5.93	(10.00)
Transfer on account of demerger scheme	(91.79)	-	-
Balance at end of year	-	91.79	68.96

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7. Depreciation and amortisation expense

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation of Property, plant and equipment pertaining to continuing operation	132.07	72.43
Amortisation of Intangible assets pertaining to continuing operation	0.15	0.10
Total Depreciation and amortisation pertaining to continuing operation	132.22	72.53
Depreciation of Property, plant and equipment and intangible assets pertaining to discontinued operations (Refer note 40)	-	230.69
Total	132.22	303.22

8. Investments (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investments (at deemed cost)			
A. Trade, Unquoted			
(a) Investments in Equity Instruments			
I of Associates			
Zillion Infraprojects Pvt. Limited	-	57.36	56.02
Nil (as at 31st March 2016: 30,56,093, as at 1st April 2015: 30,56,093) shares of ₹10 each fully paid			
Total investments in equity instruments at deemed cost (I)	-	57.36	56.02
II At fair value through other comprehensive income			
Investment in unquoted equity instruments - Others:			
BVM Finance Pvt. Ltd.	8.54	7.50	12.58
17,38,000 (as at 31st March 2016: 17,38,000, as at 1st April 2015: 17,38,000) shares of ₹10 each fully paid			
Sintex Oil & Gas Ltd.	0.05	0.05	0.05
50,000 (as at 31st March 2016: 50,000, as at 1st April 2015: 50,000) shares of ₹10 each fully paid			
Healwell International Ltd.	3.00	3.00	3.00
9,00,000 (as at 31st March 2016: 9,00,000, as at 1st April 2015: 9,00,000) shares of ₹10 each fully paid			
Sixvents Power and Engineering Ltd.	0.01	0.01	-
13,300 (as at 31st March 2016: 13,300, as at 1st April 2015: Nil) shares of ₹10 each fully paid			
Investment in quoted equity instruments - Others:			
Dena Bank	0.09	0.09	0.09
30,200 (as at 31st March 2016: 30,200, as at 1st April 2015: 30,200) shares of ₹10 each fully paid			
Total investments at fair value through other comprehensive income (II)	11.69	10.65	15.72
III At amortised cost			
Investments in debentures			
Nil, 7% NCD's (as at 31st March 2016: Nil, as at 1st April 2015: 3,659) of Khadayata Décor Ltd of face value of ₹5,00,000 each (Refer note below)	-	-	182.95
Total investments at amortised cost (III)	-	-	182.95
Total (I+II+III)	11.69	68.01	254.69
Aggregate book value of quoted investments	0.09	0.09	0.15
Aggregate market value of quoted investments	0.09	0.09	0.09
Aggregate carrying value of unquoted investments	11.60	67.92	254.60
Aggregate amount of impairment in value of investments	-	-	-

Note:- Debentures are secured against assets of khadayta décor Limited and is guaranteed by a promoter group company.

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9. Loans (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Security deposits and earnest Money deposits	5.47	10.82	99.44
(b) Other loans and advances	-	8.62	7.77
Total	5.47	19.44	107.21

10. Other financial assets (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Derivatives designated and effective as hedging instruments carried at fair value	-	46.57	37.10
- Foreign currency forward contracts designated in hedge accounting relationships	-	-	-
Total	-	46.57	37.10

11. Other non-current assets

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Capital advances	224.12	785.86	1,041.52
(b) Excise and Service tax paid under Protest	4.04	4.04	4.04
(c) Security deposits	-	199.30	296.88
(d) Prepaid expenses	-	0.62	0.18
Total	228.16	989.82	1,342.62

12. Deferred tax balance

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Deferred tax liabilities			
(i) Difference between book and tax depreciation	396.41	766.85	542.80
(ii) Equity component of compounded financial instruments	48.22	-	-
(iii) Others	6.37	15.62	28.08
	451.00	782.47	570.88
(b) Deferred tax assets			
(i) Disallowances under Income Tax	7.46	14.03	10.72
(ii) Provision for doubtful debts and advances	0.29	4.41	3.48
(iii) Unabsorbed depreciation and losses	110.38	138.36	69.29
(iv) Minimum Alternate Tax (MAT)	247.32	386.63	262.35
(v) Demerger expense as per section 35DD	0.04	-	-
(vi) Others	-	16.47	14.69
	365.49	559.90	360.53
Deferred tax liabilities (net)	85.51	222.57	210.35
Deferred tax liabilities	85.51	225.52	212.88
Deferred tax assets	-	2.95	2.53
Total	85.51	222.57	210.35

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13. Non-current tax assets (net)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance income tax (net of provisions)	-	26.54	14.78
Total	-	26.54	14.78

14. Inventories (At lower of cost and net realisable value)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Raw materials	128.60	231.83	173.70
(b) Work-in-progress	33.48	39.39	42.74
(c) Finished goods	39.17	239.64	239.00
(d) Traded goods	1.64	83.52	50.60
(e) Stores and spares	3.82	12.01	10.95
Total	206.71	606.39	516.99

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹1,402.79 crores (for the year ended March 31, 2016: ₹621.42 crores).

The cost of inventories recognised as an expense in respect of continuing operation includes ₹ Nil (during financial year 2015-16: ₹0.10 crores) towards write down of inventory to net realizable value.

15. Investments

(₹ in crores)

Particulars	Face Value (in ₹)	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
		No. of Units	(₹ in crores)	No. of Units	(₹ in crores)	No. of Units	(₹ in crores)
Current Investments at fair value through statement of profit and loss							
Non- Trade, Unquoted							
Investments in Mutual funds							
Templeton India Short Term Income Plan Inst.-G	1,000.00	18,727.69	5.20	18,727.69	4.66	18,727.69	4.38
Templeton India Income Opp. Fund- G	10.00	4,675,562.70	8.91	4,675,562.70	8.01	4,675,562.70	7.55
Birla Sunlife STP 1	10.00			-		482.47	0.01
IDFC Imperial Equity Fund-Plan A G	10.00			-		64,001.16	0.18
IDFC Premier Equity Fund Plan A Growth	10.00			-		6,430.40	0.05
HDFC CMF Tap- R.G	10.00			-		704.85	0.00
HDFC Top 200 Fund G	100.00			-		6,130.43	0.21
HDFC Mid Cap Opportunities Fund G	10.00			-		13,934.91	0.06
HDFC Core and Satellite Fund	10.00			-		31,471.72	0.18
HDFC Equity Fund G	100.00			-		8,946.90	0.42
Reliance Liquid Fund Treasury Plan Retail Option Growth	10.00			-		28.84	0.01
Option Growth Plan							
Reliance Banking Fund	100.00			-		2,480.46	0.04
Kotak Floater Long Term-Growth	10.00			-		887.38	0.00
Kotak MID CAP	10.00			-		12,414.89	0.06
DSP Black Rock Money Manager Fund-Regular Plan Growth	1,000.00			-		11.42	0.00
DSP Black Rock Micro Cap Fund R-	10.00			-		20,341.64	0.09
IDFC MMF TPA-Growth	10.00			-		987.46	0.00
IDFC Premier Equity Fund Plan A	10.00			-		9,193.76	0.07

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

15. Investment (Contd.)

(₹ in crores)

Particulars	Face Value (in ₹)	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
		No. of Units	(₹ in crores)	No. of Units	(₹ in crores)	No. of Units	(₹ in crores)
DSP Black Rock Small and Mid Cap Fund - R	10.00			-		17,881.68	0.06
Templeton India Income Opp. Fund- G	10.00			-		299,513.61	0.48
Birla Sunlife Ultra Short Term Fund- Retail-Growth	100.00			-		6,256.22	0.16
Birla Sunlife Cash Manager-Growth	100.00			-		12,612.69	0.42
Kotak FMP Series- 111	10.00			79,970.00	0.10	79,970.00	0.09
HDFC Prudence Fund-G	100.00			-		2,935.38	0.11
IDFC Yearly Series Interval Fund Regular Plan- Series III Growth	10.00			-		77,200.00	0.09
Templeton India Short term Income Fund - Growth	1,000.00			-		662.19	0.19
Principle Assets Allocation Fund-RSP-G	10.00	1,183,726.62	1.33	2,000,000.00	2.03	-	-
Templeton India Law Duration Fund - G	10.00	1,621,862.71	2.99	1,621,862.71	2.72	1,621,862.71	2.49
BNP Paribas Equity Fund-G	10.00			6,575.00	0.04	-	-
Franklin India Smaller Companies Fund-G	10.00			11,760.00	0.04	-	-
ICICI Prudential Value Discovery Fund-G	10.00			5,529.00	0.06	-	-
L & T India Value Fund-G	10.00			18,090.00	0.04	-	-
Reliance Banking Fund - G	10.00			3,483.00	0.06	-	-
Mutual Funds held by Foreign Subsidiaries outside India					120.46		161.49
			18.43		138.22		178.89
Bonds held by Foreign Subsidiaries outside India			-		62.83		103.92
Total			18.43		201.05		282.81

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Category-wise investments - as per Ind AS 109 classification

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial assets carried at fair value through profit or loss (FVTPL)			
Investment in Mutual Funds	18.43	138.22	178.89
Investment in Bonds held by foreign subsidiaries outside India	-	62.83	103.92
Total	18.43	201.05	282.81

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

16. Trade receivables

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unsecured, considered good	627.02	2,236.34	2,302.92
Doubtful	0.19	17.43	14.39
Less: Provision for doubtful trade receivables (including expected credit allowance of ₹ Nil As at March 31, 2016 ₹5.44 crore and As at April 1, 2015 ₹2.51 crore)	(0.19)	(17.43)	(14.39)
Total	627.02	2,236.34	2,302.92

Note 1

The average credit period on sales of goods is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of the total balance of trade receivables.

Age of receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
< 180 days	626.83	2,204.40	2,277.12
180-365 days	0.19	27.53	11.86
365-730 days	-	4.41	13.94
Total	627.02	2,236.34	2,302.92

Movement in the expected credit loss allowance

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	5.44	2.51
Loss allowance calculated at lifetime expected credit losses	-	2.93
Transfer of expected credit loss allowance on trade receivable pursuant to the demerger Scheme	(5.44)	-
Balance at the end of the year	-	5.44

17. Cash and cash equivalents

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Current accounts with banks	57.05	682.83	386.29
(b) Cash on hand	0.14	0.31	1.54
(c) Cheques, drafts on hand	3.57	0.06	1.37
(d) Bank deposits with upto 3 months maturity	582.33	25.38	33.17
	643.09	708.58	422.37
(B) Other bank balances			
(a) In earmarked accounts			
- Unclaimed dividend accounts	0.90	0.79	0.68
	0.90	0.79	0.68
Total	643.99	709.37	423.05

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

18. Bank balances other than 17 above

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Other bank balances			
Bank deposits having maturity beyond 3 months	70.91	31.49	1.96
Total	70.91	31.49	1.96

19. Loans (current) (Unsecured, considered good, unless otherwise stated)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Security deposits & Earnest Money deposits			
Considered good	5.79	3.52	3.04
Considered Doubtful	-	4.73	3.94
Less: Provision for doubtful deposits	-	(4.73)	(3.94)
	5.79	3.52	3.04
(b) Other Loans (Refer note below)	264.58	42.14	38.98
(c) Subsidy Receivable	155.94	-	-
(d) Interest Receivable	1.52	63.33	84.14
Total	427.83	108.99	126.16

Note This includes ₹48.94 crores (as at March 31, 2016: ₹42.14 crores and as at April 01, 2015: ₹38.98 crores) due from Sintex Oil & Gas Limited which is guaranteed by a promoter group company.

20. Other current assets (Unsecured considered good)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Export Incentive Receivables	0.50	0.26	0.24
(b) Advance Recoverable in cash or kind			
Considered good	0.25	498.08	127.73
Doubtful	-	0.66	0.50
Less:- Provision for doubtful advances	-	(0.66)	(0.50)
	0.25	498.08	127.73
(c) Prepaid expenses	1.82	19.43	17.68
(d) Balances with government authorities	80.01	36.61	37.92
(e) Other Receivables	41.19	44.42	23.92
(f) Unbilled revenue	-	20.16	-
Total	123.77	618.96	207.49

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

21. Equity share capital

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised share capital			
65,00,00,000 equity shares of ₹1 each (as at March 31, 2016 65,00,00,000, as at April 01, 2015 65,00,00,000) Equity Shares of ₹1 each	65.00	65.00	65.00
Total	65.00	65.00	65.00
Issued capital			
54,47,27,754 (as at March 31, 2016: 44,65,82,721 ; as at April 01, 2015: 42,63,92,994) Equity Shares of ₹1 each	54.47	44.66	42.63
Total	54.47	44.66	42.63
Subscribed and fully paid up			
54,46,95,954 (as at March 31, 2016: 44,65,50,721; as at April 01, 2015: 42,63,61,194) Equity Shares of ₹1 each	54.47	44.66	42.63
Less:- Amount Recoverable from ESOP Trust Nil (as at March 31, 2016: Nil; as at April 01, 2015: 19,23,000 equity shares allotted to the trust)	-	-	0.19
Total	54.47	44.66	42.44

Notes:-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Conversion of FCCB into equity shares during the year	Right issue during the year	Conversion of share warrants into equity shares during the year	Closing Balance
Equity Shares					
Year ended 31st March 2017					
- Number of shares	44,65,50,721	21,223,333	76,921,900	-	544,695,954
- Amount (₹ In crores)	44.66	2.12	7.69	-	54.47
Year ended 31st March 2016					
- Number of shares	42,63,61,194	2,01,89,527	-	-	44,65,50,721
- Amount (₹ In crores)	42.63	2.02	-	-	44.66
Year ended 01st April, 2015					
- Number of shares	31,31,09,980	9,68,51,214	-	1,64,00,000	42,63,61,194
- Amount (₹ In crores)	31.31	9.68	-	1.64	42.63

(ii) Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity share is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing AGM.

(iii) As at March 31, 2017: 5,92,78,978 shares (as at March 31, 2016: NIL shares; as at March 31, 2015: 2,21,12,527 shares) were reserved for issuance as follows:

(a) NIL shares (as at March 31, 2016: NIL shares; as at March 31, 2015: 19,23,000 shares) of ₹1 each towards outstanding employee stock options granted / available for grant.

(b) 5,92,78,978 shares (as at March 31, 2016: NIL shares; as at March 31, 2015: 2,01,89,527 shares) of ₹1 each towards Foreign Currency Convertible Bonds (FCCB)

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

21. Equity share capital (Contd.)

(iv) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares						
BVM Finance Private Limited	78,103,905	14.34%	7,81,03,905	17.49%	7,81,03,905	18.32%
Kolon Investment Private Limited	55,877,110	10.26%	3,02,22,046	6.77%	3,02,22,046	7.09%
Opel Securities Private Limited	30,223,452	5.55%	3,02,23,452	6.77%	3,02,23,452	7.09%

22. Other equity excluding non-controlling interests

Refer Statement of Changes in Equity for detailed movement in Equity Balances

A. Summary of other equity Balances

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Capital reserve	-	47.80	47.80
(b) Capital redemption reserve	-	15.05	15.05
(c) Securities premium account	678.23	1,714.02	1,549.05
(d) Debenture redemption reserve	56.17	120.02	167.10
(e) Employee stock options outstanding account	-	-	29.41
(f) General reserve	428.58	449.05	311.79
(g) Foreign Currency Monetary item Translation Difference Account	-	-	(6.35)
(h) Foreign Currency Translation Reserve	-	78.05	2.36
(i) Equity component of compound financial instruments (FCCB)	91.12	-	14.19
(j) Remeasurement of defined benefit plan	(1.04)	(1.09)	-
(k) Equity instruments through other comprehensive income	(0.15)	(1.19)	3.89
(l) Retained earnings	2,605.48	3,086.60	2,580.64
Total	3,858.39	5,508.31	4,714.93

B Nature and purpose of reserves

(i) Employee Stock options outstanding account

This reserve relates to share options granted by the Company to its employees under its employee stock option plan.

(ii) Capital reserve

Capital reserve represents upfront amount of convertible share warrants forfeited during the financial year 2008-09.

(iii) Capital Redemption reserve

Capital Redemption reserve was created for redemption of preference shares.

(iv) General reserve

The general reserve is created from time to time by transfer profits from retained earnings for appropriate purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of profit and loss.

(v) Debenture Redemption reserve

This reserve has been created for redemption of debentures issued by the company in compliance of provisions of the Companies Act, 2013 and rules framed there under.

(vi) Foreign Currency Monetary Item Translation Difference Account

This reserve mainly represents foreign exchange rate variations and amortisation on long term monetary assets/liabilities.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

22. Other equity excluding non-controlling interests (Contd.)

(vii) Equity instruments through other comprehensive income

The reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

(viii) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013. Thus the amounts reported above are not distributable in entirety.

(ix) Remeasurement of defined benefit plans

This reserve represents the impact of actuarial gains and losses on the funded obligation due to change in financial assumptions, change in demographic assumption, experience adjustments, etc. recognised through other comprehensive income.

23. Borrowings (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured - at amortised cost			
(a) Debentures	497.13	1,085.47	667.50
(b) Term loans			
(i) from banks	2,157.81	3,089.32	1,958.56
(ii) from a financial institution	526.65	651.36	338.14
	2,684.46	3,740.68	2,296.70
Unsecured - at amortised cost			
(a) Foreign Currency Convertible Bonds (Refer note 45)	393.03	-	130.91
(b) Term loans from banks	63.02	315.21	53.84
Total	3,637.64	5,141.36	3,148.95

Notes:

- (i) The Secured redeemable non- convertible debentures are secured by way of first pari passu charge on all movable and immovable assets located in India, both present and future of the company. The rate of interest ranges from 9% to 11.50% p.a.
- (ii) Secured Term Loans from banks and financial institutions referred herein above to the extent of ;
 - a) ₹2,684.46 crores (Previous year ₹2,890.27 crore are secured by way of charge on immovable and movable properties located in India of the company and its Indian Subsidiaries. The rate of interest ranges from 2.40% to 11% p.a
 - b) ₹ Nil (Previous year ₹850.41 crore are secured by way of charge on immovable and movable properties located outside India of the foreign subsidiaries. The rate of interest ranges from 1.80% to 8% p.a.

24. Other financial liabilities (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade / security deposits	-	39.30	113.34
Total	-	39.30	113.34

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

25. Provisions (non-current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for employee benefits			
(i) Provision for compensated absences	5.88	11.74	10.22
(ii) Provision for gratuity	7.30	10.72	7.86
Total	13.18	22.46	18.08

26. Borrowings (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Secured- at amortised cost- from Banks			
(i) Loans repayable on demand (Refer Note below)	318.17	632.88	570.68
(b) Unsecured - at amortised cost			
(i) Others	69.91	56.00	203.00
Total	388.08	688.88	773.68

Note:

Loans from the banks are secured by first charge on the stocks and book debts of the Company, both present and future.

27. Trade payables

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables	295.36	783.24	626.33
Total	295.36	783.24	626.33

The average credit period on purchases of certain goods is 7 to 240 days. No interest is charged on the trade payables for the first 240 days from the date of invoice. Thereafter, the interest is payable at 20% per annum on the outstanding balance. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Dues payable to Micro and Small Enterprises:

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Principal amount remaining unpaid to any supplier as at the year end	0.54	3.52	3.46
Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end	0.03	0.03	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act.	0.03	0.03	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	0.03	0.03	-

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

28. Other financial liabilities (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Current maturities of long-term debt	179.60	519.17	697.17
(b) Interest accrued on borrowings	21.96	53.35	34.38
(c) Investor's Education and Protection Fund			
Unclaimed dividends	0.90	0.79	0.68
(d) Acceptances	25.53	177.37	385.20
(e) Other payables			
(i) Payables on purchase of fixed assets	25.85	18.43	47.82
(ii) Trade / security deposits received	0.50	7.69	7.82
Total	254.34	776.80	1,173.07

29. Other current liabilities

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Statutory remittances	6.20	16.87	14.81
(b) Advances from customers	11.20	150.58	67.29
(c) Trade / security deposits received	-	0.10	-
(d) Others	-	53.48	41.59
(e) Unearned revenue	-	2.56	-
Total	17.40	223.59	123.69

30. Provisions (current)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Provision for employee benefits:			
(i) Provision for compensated absences	1.18	1.77	2.10
(ii) Provision for gratuity	2.08	103.69	90.22
	3.26	105.46	92.32
(b) Other Provisions	2.48	-	-
Total	5.74	105.46	92.32

31. Current tax liabilities (net)

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Provision for tax (net of advance tax)	8.87	-	-
Total	8.87	-	-

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

32. Revenue from operations

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of products	1,928.96	943.92
Less: Commission on sales	(7.64)	(3.06)
Total	1,921.32	940.86

33. Other income

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest income earned on financial asset that are not designated as at fair value through profit or loss (FVTPL)	30.75	50.08
(b) Interest Income from investments in mutual fund	1.82	-
(c) Net gain on sale/transfer of current investments	0.87	0.83
(d) Net gain on foreign currency transactions and translation (other than considered as finance cost)	18.51	18.27
(e) Excess provision/ amount no longer payable written back	-	5.22
(f) Subsidies from government authorities	28.85	-
(g) Other miscellaneous income	16.36	1.98
Total	97.16	76.38

34. Cost of materials consumed

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening stock	15.34	26.79
Add: Purchases	1,013.14	518.72
Less: Closing stock	128.60	15.34
Cost of materials consumed	899.88	530.17

35. Purchases of stock-in-trade

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Yarn	493.19	52.56
Total	493.19	52.56

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

36. Changes in inventories of finished goods and work-in-progress

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventories at the end of the year:		
Finished goods	39.17	36.55
Work-in-progress	33.48	10.99
	72.65	47.54
Inventories at the beginning of the year:		
Finished goods	36.55	39.50
Work-in-progress	10.99	8.84
	47.54	48.34
Net (increase) / decrease	(25.11)	0.80

37. Employee benefits expense

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Salaries and wages	78.66	51.82
(b) Contributions to provident and other funds	8.28	5.62
(c) Staff welfare expenses	8.98	3.47
Total	95.92	60.91

38. Finance costs

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest costs on borrowings carried at amortised cost (Net of interest subsidy)	90.35	66.30
(b) Other borrowing costs	2.97	1.58
Total	93.32	67.88

39. Other expenses

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Consumption of stores and spare parts	34.83	37.89
Power and fuel	105.51	41.72
Job Work and Subcontracting Charges	1.98	-
Rent including lease rentals	2.18	1.25
Repairs and maintenance - Buildings	0.02	0.02
Repairs and maintenance - Machinery	0.54	0.45
Repairs and maintenance - Others	0.29	0.30
Insurance	3.45	0.74
Rates and taxes	0.05	0.01
Communication	0.47	-
Travelling and conveyance	5.16	2.89

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

39. Other expenses (Contd.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Donations and contributions	0.01	0.02
Expenditure on Corporate Social Responsibility (Refer Note 51)	9.40	1.31
Payments to auditors	0.31	0.44
Loss on sale / impairment of fixed assets (net)	0.07	1.15
Freight and forwarding charges	8.33	-
Legal and Professional fees	3.47	0.08
General expenses	11.44	1.87
Total	187.51	90.14
Payments to auditors		
(a) For audit	0.31	0.44
(b) For taxation matters	-	-
(c) For other services (including quarterly limited review, certifications, etc.)	-	-
(d) For reimbursement of expenses *	-	-
Total	0.31	0.44

*Excludes amount paid during the previous financial year of ₹0.33 crores pertaining to discontinued operation and ₹0.47 crores paid during the year towards certification for right issue and FCCB debited to the security premium account.

40. Discontinued operations

The Sintex Industries Limited ('the Company') has entered into a Composite Scheme of Arrangement ('the Scheme') with Sintex Plastics Technology Limited, Sintex - BAPL Limited, Sintex Infra Projects Limited and their respective shareholders and creditors to transfer the Custom Moulding Undertakings and Prefab Undertakings to Sintex - BAPL Limited and Sintex Infra Projects Limited respectively. The Scheme was sanctioned by the Hon'ble NCLT, Bench at Ahmedabad on 23rd March, 2017 and the Company has received the approval of the Reserve Bank of India (RBI) vide its letter dated 12th May, 2017. On giving effect of the Scheme, with effect from the appointed date of the Scheme i.e. 01st April, 2016, all the assets and liabilities of Custom Moulding business (including strategic investments in Sintex Holdings B.V., wholly owned subsidiary) and the Prefab business stands transferred and vested to Sintex - BAPL Limited and Sintex Infra Projects Limited respectively. In furtherance of achievement of rationale and goal of the Scheme, during the year on 28th September, 2016 the investment in Equity Capital of Sintex-BAPL Limited, a wholly owned subsidiary was divested by the company. Accordingly on divestment of a subsidiary, reduction in fixed assets pertaining to Sintex-BAPL Limited has been shown in note 4 "Property, Plant and Equipments". Therefore operations of Custom Moulding business, Prefab business as well as Sintex-BAPL Limited are considered as discontinued operations in preparation of these consolidated financial statements.

Analysis of the profit for the year ended on 31st March, 2016 from discontinued operations

The results of the discontinued operations included in the profit for the year are set out below. The profit and cash flows from discontinued operations have been presented for the year ended 31st March, 2016.

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for the year ended March 31, 2017

40. Discontinued operations (Contd.)

Profit for the year from discontinued operations

(₹ in crores)

Particulars	For the year ended March 31, 2016
Revenue from operations	6,921.79
Other income	56.10
Cost of material consumed	(3,993.99)
Purchase of stock-in-trade	(180.45)
Change in inventories of finished goods and work-in-progress	(1.77)
Employee benefit expense	(684.89)
Finance cost	(215.79)
Depreciation and amortisation expense	(230.69)
Other expense debited to Statement of Profit and Loss	(976.83)
Share of profit of associates	1.33
Share of minority interest in loss	0.18
Profit from discontinued operations before tax (I)	694.99
Tax expense of discontinued operations (II)	(177.29)
Profit from discontinued operations (I + II)	517.70

Cash flows from discontinued operations

(₹ in crores)

Particulars	For the year ended March 31, 2016
Net cash inflows/(outflows) from operating activities	824.04
Net cash inflows/(outflows) from investing activities	(640.08)
Net cash inflows/(outflows) from financing activities	425.95
Net cash inflows/(outflows)	609.91

41. Non-controlling interest

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at the beginning of the year	2.07	-
Non-controlling interest arising on investment in BAPL Rototech Pvt Limited	-	2.07
Transfer on account of demerger scheme	(2.07)	-
Balance at the end of the year	-	2.07

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41. Non-controlling interest (Contd.)

The table below shows details of non-wholly owned subsidiary of the Group that has immaterial non-controlling interests:

Name of Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests	Profit (loss) allocated to non-controlling interests	Accumulated non-controlling interests
		March 31, 2016	March 31, 2016	March 31, 2016
BAPL Rototech Pvt. Limited	India	30%	(0.18)	2.07

42. Investments in associate

Break-up of investments in associates (carrying amount determined using the equity method of accounting)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Qty.	(₹ in crores)	Qty.	(₹ in crores)	Qty.	(₹ in crores)
Unquoted Investments (all fully paid)						
Zillion Infraprojects Private Limited	-	-	30,56,093	57.36	30,56,093	56.02
Total investments carrying values	-	-	30,56,093	57.36	30,56,093	56.02
Aggregate book value of quoted investments		-		-		-
Aggregate market value of quoted investments		-		-		-
Aggregate carrying amount of unquoted investments		-		57.36		56.02
Aggregate amount of impairment in value of investments in associate		-		-		-

The Group does not has any material associate at the end of the reporting period.

Upon demerger of the Prefab business of Sintex Industries Limited, with effect from the appointed date i.e. April 01, 2016, all assets and liabilities including strategic investments stands transferred and vested in Sintex Plastics Technology Limited and hence Zillion Infraprojects Private Limited ceases to be associate w.e.f April 01,2016.

Details of non - material associate

Details of the Group's non - material associates at the end of the reporting period are as follows:

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/voting rights held by the Group		
			As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Zillion Infraprojects Private Limited (i)	Manufacture of basic precious and non-ferrous metals	India	Nil	30%	30%

The above associate is accounted for using the equity method in the consolidated financial statements.

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for the year ended March 31, 2017

42. Investments in associate (Contd.)

(i) Pursuant to a shareholder agreement, the Company has the right to cast 30% of the votes at shareholder meeting of Zillion Infraprojects Private Limited.

Financial information in respect of not material associate

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
The Group's share of profit (loss) from continuing operations	-	-
The Group's share of post-tax profit (loss) from discontinued operations	-	1.33
The Group's share of other comprehensive income	-	-
The Group's share of total comprehensive income	-	1.33

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Aggregate carrying amount of the Group's interest in Zillion Infraprojects Private Limited	-	57.36	56.02

43. Earnings Per share

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Basic Earnings per share (₹)		
From continuing operations	2.76	2.51
From discontinuing operations	-	11.72
Total basic earnings per share (₹)	2.76	14.23
Diluted Earnings per share (₹)		
From continuing operations	2.76	2.51
From discontinuing operations	-	11.72
Total diluted earnings per share (₹)	2.76	14.23

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit for the year attributable to owners of the Company (₹ in crores)	134.25	628.54
Dividends paid on convertible non-participating preference shares.	-	-
Earnings used in the calculation of basic earnings per share (₹ in crores)	134.25	628.54
Profit for the year from discontinued operations attributable to owners of the Company	-	(517.70)
Earnings used in the calculation of basic earnings per share from continuing operations (₹ in crores)	134.25	110.84
Weighted average number of equity shares for the purposes of basic earnings per share	486,619,681	441,843,050
Earnings per share from continuing operations - Basic (₹)	2.76	2.51
Earnings per share from discontinuing operations - Basic (₹)	-	11.72

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

43. Earnings Per share (Contd.)

Diluted earnings per share

The earnings used in calculation of diluted earnings per share are as follows:

Particulars	(₹ in crores)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Earnings used in the calculation of basic earnings per share (₹ in crore)	134.25	628.54
Interest on convertible notes (after tax)	-	-
Earnings used in the calculation of diluted earnings per share (₹ in crore)	134.25	628.54
Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	(517.70)
Earnings used in the calculation of diluted earnings per share from continuing operations (₹ in crore)	134.25	110.84
Weighted average number of equity shares for the purposes of basic earnings per share	486,619,681	441,843,050
Earnings per share from continuing operations - Basic (₹)	2.76	2.51
Earnings per share from discontinuing operations - Basic (₹)	-	11.72

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	(₹ in crores)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Weighted average number of equity shares used in the calculation of basic earnings per share	486,619,681	441,843,050
Shares deemed to be issued for no consideration in respect of:		
a. employee options	-	-
b. partly paid equity shares	-	-
c. convertible bonds	-	-
Weighted average number of equity shares used in the calculation of Diluted EPS	486,619,681	441,843,050

Note: There are no potential equity share issued by the Company which are anti-dilutive in its nature.

44. Composite Scheme of Arrangement:

Pursuant to the Composite Scheme of Arrangement (the 'Scheme') between the Company, Sintex Plastics Technology Limited, Sintex-BAPL Limited, Sintex Infra Projects Limited and their respective shareholders and creditors, the Custom Moulding business including its investment in its wholly owned foreign subsidiary, namely Sintex Holdings B.V. and the Prefab business of the company along with its related assets and liabilities have been transferred to Sintex-BAPL Limited and Sintex Infra Projects Limited respectively, upon the sanction of the Scheme by the Hon'ble NCLT, Bench at Ahmedabad vide Order dated 23rd March, 2017. The certified copy of the Order sanctioning the Scheme has been filed with the office of the Registrar of the Companies, Gujarat, on 13th April 2017 and the Company has received the requisite approval of the Reserve Bank of India (RBI) vide its letter dated 12th May 2017. "

Accordingly, the effects of the Scheme have been given from 1st April 2016, being the Appointed Date of the Scheme as under:

- The assets and liabilities of the Custom Moulding business including its investment in its wholly owned subsidiary, namely Sintex Holdings B.V. and the Prefab business of the company have been transferred to Sintex-BAPL Limited and Sintex Infra Projects Limited respectively, at the values appearing in the books of accounts of the company on the close of business hours on 31st March 2016.
- The inter-company balances, appearing in the books of accounts of the Company pertaining to the Custom Moulding business and Sintex-BAPL Limited and the inter-company balances appearing in the books of accounts of the Company pertaining to the Prefab business and Sintex Infra Projects Limited have been cancelled.

Notes To The Consolidated Financial Statements

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44. Composite Scheme of Arrangement: (Contd.)

- c) The investment by way of equity shares held by the Company in the paid up share capital of Sintex Plastics Technology Limited of ₹199.91 crore (including ₹199.90 crores invested during the year under review) has been cancelled.
- d) The difference between the value of assets and value of liabilities of the Custom Moulding business including the difference between the value of assets and the value of liabilities of its wholly owned foreign subsidiary company Sintex Holdings B.V. and Prefab business amounting to ₹2317.08 crore transferred to Sintex-BAPL Limited and Sintex Infra Projects Limited and the cancellation of equity shares held by the Company in the paid up share capital of Sintex Plastics Technology Limited of ₹199.91 crore as mentioned above, aggregating to ₹2516.99 crore have been appropriated as under :
 - (i) Capital Reserve ₹47.80 crore
 - (ii) Capital Redemption Reserve ₹15.05 crore
 - (iii) Securities Premium Account ₹1714.02 crore
 - (iv) General Reserve ₹111.74 crore
 - (v) Foreign Currency Translation Reserve ₹78.05 crore
 - (vi) Retained earnings ₹550.33 crore

45. Foreign Currency Convertible Bonds (FCCBs)

On May 25, 2016, the Company issued USD 110 million Step Down Convertible Bonds due 2022 ("FCCBs"). The FCCBs bear interest (i) at the rate of 7% p.a from May 25, 2016 to May 25, 2018 and (ii) at the rate of 3.50% p.a from May 25, 2018 to May 25, 2022, payable semi-annually in arrear on the interest payment dates falling on 25 November and 25 May.

The FCCBs are convertible at any time on and after July 5, 2016 and up to the close of business on May 15, 2022 by holders of the FCCBs into fully paid equity shares with full voting rights of the Issuer each with a nominal value of ₹1 at the option of the holder, at an initial conversion price of ₹93.8125 per share with a fixed rate of exchange on conversion of ₹67.4463 = USD 1.00. The conversion price is subject to adjustment in certain circumstances and may be reset on November 25, 2018 and November 25, 2019 in accordance with the terms and conditions of the FCCBs.

As per the Scheme of Arrangement, on exercising option for conversion of the FCCBs, the FCCB holders shall receive one fully paid equity shares of ₹1 each with full voting rights of Sintex Plastics Technology Limited and further the repayment of FCCBs is guaranteed by Sintex Plastics Technology Limited.

The FCCBs contain two components: liability and equity elements. The equity element is presented in equity under the heading "Equity component of other financial instrument reserve."

	(₹ in crores)
Particulars	
Proceeds of issue	739.53
Liability component at the date of issue	545.51
Equity component (gross of tax)	194.02

During the quarter ended March 31, 2017, FCCBs aggregating to USD 29 million have been converted into 2,12,23,333 equity shares.

	(₹ in crores)
Particulars	
Reduction in equity component due to conversion of FCCBs into equity (gross of tax)	51.15

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

46. Subsidiaries

Details of Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		
			As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
Sintex - BAPL Limited (previously known as Bright AutoPlast Limited)	Manufacturing of Plastics Products- Custom Moulding	India	-	100%	100%
BAPL Rototech Pvt Limited	Manufacturing of Plastics Products- Custom Moulding	India	-	70%	-
Sintex Plastics technology Limited	Trading of Products	India	-	100%	-
BVM Overseas Limited	Trading of Products	India	100%	100%	-
Sintex Infra Projects Limited	Affordable Housing and EPC Contract	India	-	100%	100%
Sintex Holdings B.V.	Investment	Netherland	-	100%	100%
Sintex Industries UK Limited	Investment	UK	-	100%	100%
Sintex Austria B.V.	Investment	Netherland	-	100%	100%
Southgate Business Corp.	Investment	British Virgin Island	-	100%	100%
Amarange Inc.	Investment	British Virgin Island	-	100%	-
Sintex Wausaukee Composites Inc.	Manufacturing of Plastics Products- Custom Moulding	USA	-	100%	100%
Wausaukee Composites Owosso, Inc.	Manufacturing of Plastics Products- Custom Moulding	USA	-	100%	100%
WCI Wind Turbine Components, LLC	Manufacturing of Plastics Products- Custom Moulding	USA	-	100%	100%
Cuba City Real Estate LLC	Manufacturing of Plastics Products- Custom Moulding	USA	-	100%	100%
Owosso Real Estate LLC	Manufacturing of Plastics Products- Custom Moulding	USA	-	100%	100%
Sintex France SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
Sintex NP SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Hungaria Kft	Manufacturing of Plastics Products- Custom Moulding	Hungary	-	100%	100%
NP Nord SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Slovakia SRO	Manufacturing of Plastics Products- Custom Moulding	Slovakia	-	100%	100%
NP Savoie SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Tunisia SARL	Manufacturing of Plastics Products- Custom Moulding	Tunisia	-	100%	100%
NP Vosges SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Morocco SARL	Manufacturing of Plastics Products- Custom Moulding	Morocco	-	100%	100%
NP Germany GMBH	Manufacturing of Plastics Products- Custom Moulding	Germany	-	100%	100%
Siroco SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
SICMO SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Jura	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
AIP SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Sud SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
NP Polska	Manufacturing of Plastics Products- Custom Moulding	Poland	-	100%	100%
Simonin SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
Ressorrest SARL	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
Capelec SAS	Manufacturing of Plastics Products- Custom Moulding	France	-	100%	100%
Simonin Maroc SARL *	Manufacturing of Plastics Products- Custom Moulding	Morocco	-	-	100%
Capelem SARL	Manufacturing of Plastics Products- Custom Moulding	Morocco	-	100%	100%

Notes To The Consolidated Financial Statements

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46. Subsidiaries (Contd.)

Compositions of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries		
		As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
Manufacturing of Plastics Products- Custom Moulding	India	-	1	1
	France	-	13	13
	Germany	-	1	1
	Hungary	-	1	1
	Morocco	-	2	3
	Poland	-	1	1
	Slovakia	-	1	1
	Tunisia	-	1	1
	USA	-	5	5
	India	-	1	1
Affordable Housing and EPC Contract	India	-	1	1
Trading of Products	India	1	2	0
	British Virgin Island	-	2	1
	Netherland	-	2	2
	UK	-	1	1
		1	34	32

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries		
		As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
Manufacturing of Plastics Products- Custom Moulding	India	-	1	-
		-	1	-

* During December 2015, Simonin Maroc SARL (100% holding by the Group) got merged with Capelem SARL (100% holding by the Group).

46.1 Disclosures mandated by Schedule III of Companies Act, 2013 by way of Additional Information

Name of entity in the Group	Share in Net Assets		Share in profit and Loss		Share in other comprehensive income		Share in Total Comprehensive income	
	As % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Sintex Industries Limited	99.81	3905.58	94.96	127.48	100.00	1.09	95.00	128.57
BVM Overseas Limited	0.19	7.28	5.04	6.77	0	0.00	5.00	6.77
Total	100.00	3,912.86	100.00	134.25	100.00	1.09	100.00	135.34

Notes To The Consolidated Financial Statements

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47. Related Party Transactions

a. Names of the related parties and description of relationship

Sr. No.	Nature of Relationship	Name of Related Parties
1	Associate	Zillion Infraprojects Private Limited (till March 31, 2016)
2	Key Management Personnel (KMP)	Shri Rahul A. Patel, Managing Director (Group) Shri Amit D. Patel, Managing Director (Group) Shri S. B. Dangayach, Managing Director
3	Relatives of Key Management Personnel	Shri Dinesh B. Patel (Chairman) Shri Arun P. Patel (Vice-chairman)
4	Enterprises over which Key Managerial Personnel are able to exercise significant influence /control	Som Shiva (Impex) Ltd. Prominent Plastics Ltd. BVM Finance Pvt. Ltd. Atik Land Developers Pvt. Ltd. (till March 31, 2016) Healwell International Ltd.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in the note. Details of transactions between the Group and other related parties are disclosed below:

b.1 Transactions during the year with related parties*:

(₹ in crores)

Sr. No	Nature of transactions	Nature of Relationship			
		Associate	Entities over KMP exercise significant influence/control	Key Management Personnel & relatives thereof	Total
1	Purchase of goods/services	-	-	-	-
		-	(12.61)	-	(12.61)
2	Sale of goods/services	-	-	-	-
		-	(0.03)	-	(0.03)
3	Interest Income	-	-	-	-
		-	(3.81)	-	(3.81)
4	Managerial remuneration	-	-	12.95	12.95
		-	-	(15.17)	(15.17)
5	Sitting fees	-	-	0.10	0.10
		-	-	(0.06)	(0.06)
6	Repayment of Loan	-	-	-	-
		-	(50.00)	-	(50.00)

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

47. Related Party Transactions (Contd.)

b.2 Balance as at March 31, 2017*:

(₹ in crores)

Sr. No	Nature of transactions	Nature of Relationship			
		Associate	Entities over KMP exercise significant influence/control	Key Management Personnel & relatives thereof	Total
1	Trade payable	-	-	7.59	7.59
		-	(0.28)	(9.75)	(10.03)
2	Trade receivable	-	-	-	-
		-	(0.17)	-	(0.17)
3	Investments (non-current)	-	11.54	-	11.54
		-	(10.50)	-	(10.50)
4	Loans and advances (including capital advance)	-	-	-	-
		-	(-)	-	-
5	Other current asset	-	-	-	-
		-	(34.60)	-	(34.60)

* Figures in brackets indicates figures of previous year

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

b.3 Disclosure of Material Related Party Transactions during the year and Balance outstanding

- Purchase of goods/services include purchase from (a) Som Shiva (Impex) Ltd. ₹ Nil (Previous Year ₹12.61 crores). Balance as on 31st March 2017 ₹ Nil (Previous Year ₹0.28 crore) and (b) Healwell International Ltd. ₹ Nil (previous year ₹ Nil). Balance as on 31st March 2017 ₹ Nil (Previous year ₹ Nil).
- Sale of goods/services include sale to (i) Som Shiva (Impex) Ltd. ₹ Nil (Previous Year ₹0.03 crore) Balance as on 31st March 2017 ₹ Nil (Previous Year ₹0.17 crore).
- Interest income mainly include interest from Atik Land Developers Pvt Ltd. ₹ Nil (Previous Year ₹3.81 crores).
- Managerial Remuneration include remuneration to Shri Rahul A. Patel ₹5.53 crores (Previous Year ₹6.61 crores), Shri Amit D. Patel ₹5.56 crores (Previous Year ₹6.70 crores), Shri S. B. Dangayach ₹1.86 crores (Previous Year ₹1.86 crores).
- Sitting fees paid includes to Shri Dinesh B. Patel ₹0.04 crore (Previous Year ₹0.03 crore), Shri Arun P. Patel ₹0.06 crore (Previous Year ₹0.03 crore).

48. Segment information

i. Products and services from which reportable segments derive their revenues.

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors have chose to organise the Group around difference in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Pursuant to the Composite Scheme of Arrangement, with effect from April 01, 2016 the Company operates in Textile business which is the only reportable segment in accordance with the requirement of Ind AS 108 "Operating Segments".

Notes To The Consolidated Financial Statements

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48. Segment information (Contd.)

ii. Geographical information

Geographical revenue is allocated based on the location of the customers.

Group's all non-current assets are located in India (i.e. its country of domicile).

The Group's revenue from external customers by location of operations are detailed below:-

(₹ in crores)

Particulars	Revenue from external customers	
	For the year ended March 31, 2017	For the year ended March 31, 2016
India (includes deemed export)	1,474.84	882.79
Asia (Other than India)	358.47	38.98
Europe	82.62	8.21
Others	5.39	10.88
Total	1,921.32	940.86

The Company has revenue of ₹474.58 crores (Previous year ₹22.46 crores) from an external customer that individually represents more than 10% of external revenue reported.

49. Financial instruments

1. Capital management

The Group manages its capital to ensure that the Group will be able to continue as a growing concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt and total equity of the Group.

The Group is not subject to any externally imposed capital requirements.

Gearing ratio

The gearing ratio at end of the reporting period was as follows:

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Debt (i)	4,205.31	6,349.41	4,619.80
Cash and bank balances	(714.90)	(740.86)	(425.01)
Net debt (A)	3,490.41	5,608.55	4,194.80
Total equity (B)	3,912.86	5,555.04	4,757.37
Net debt to equity ratio (A/B)	0.89	1.01	0.88

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49. Financial instruments (Contd.)

Debt is defined as long-term and short term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), as described in earlier notes (Refer note 23, 26 and 28).

2. Categories of financial instruments

(₹ in crores)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Carrying values	Fair values	Carrying values	Fair values	Carrying values	Fair values
Financial assets						
Measured at amortised cost						
Non-current investments in debentures	-	-	-	-	182.95	182.95
Loans	433.30	433.30	128.43	128.43	233.37	233.37
Trade receivables	627.02	627.02	2,236.34	2,236.34	2,302.92	2,302.92
Cash and cash equivalents	643.99	643.99	709.37	709.37	423.05	423.05
Bank balances other than cash and cash equivalents	70.91	70.91	31.49	31.49	1.96	1.96
Total financial assets carried at amortised cost (A)	1,775.23	1,775.23	3,105.63	3,105.63	3,144.25	3,144.25
Measured at deemed cost						
Non-current investment in equity instruments of associate	-	-	57.36	57.36	56.02	56.02
Total financial assets carried at deemed cost (B)	-	-	57.36	57.36	56.02	56.02
Measured at fair value through profit and loss						
Current investments in mutual funds and bonds	18.43	18.43	201.05	201.05	282.81	282.81
Foreign currency forward contracts not designated in hedge accounting relationships	-	-	46.57	46.57	37.10	37.10
Total financial assets at fair value through profit and loss (C)	18.43	18.43	247.62	247.62	319.91	319.91
Measured at fair value through other comprehensive income						
Non-current investments in quoted and unquoted equity instruments	11.69	11.69	10.65	10.65	15.72	15.72
Total financial assets at fair value through profit and loss (D)	11.69	11.69	10.65	10.65	15.72	15.72
Total financial assets (A+B+C+D)	1,805.35	1,805.35	3,421.26	3,421.26	3,535.90	3,535.90
Financial liabilities						
Measured at amortised cost						
Non-current liabilities						
Non-current borrowings*	3,637.64	3,672.47	5,141.36	5,171.73	3,148.95	3,164.39
Other financial liabilities	-	-	39.30	39.30	113.34	113.34
Current liabilities						
Short-term borrowings	388.08	388.08	688.88	688.88	773.68	773.68
Trade payables	295.36	295.36	783.24	783.24	626.33	626.33
Other financial liabilities	254.34	254.34	776.80	776.80	1,173.07	1,173.07
Total financial liabilities measured at amortised cost	4,575.42	4,610.25	7,429.58	7,459.95	5,835.37	5,850.81
Total financial liabilities	4,575.42	4,610.25	7,429.58	7,459.95	5,835.37	5,850.81

* The fair value of Group's fixed interest borrowing are determine by using discounted Cash Flow Method.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

3. Financial risk management objectives

The Group's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

The Corporate Treasury function reports quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

4. Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates due to foreign currency borrowings and variable interest loans. The Group has entered into derivative financial instruments to manage part of its foreign currency risk. The Group does not enter into derivative instruments to manage risks related to anticipated sales and purchases.

5. Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

(₹ in crores)

Particulars	As at March 31, 2017				
	USD	EURO	INR	Others	Total
Financial assets					
Non-current financial assets					
Investments	-	-	11.69	-	11.69
Loans	-	-	5.47	-	5.47
Derivative assets	-	-	-	-	-
Total non-current financial assets (A)	-	-	17.16	-	17.16
Current financial assets					
Investments	-	-	18.43	-	18.43
Trade receivables	153.72	-	473.30	-	627.02
Cash and cash equivalents	17.26	-	626.73	-	643.99
Bank balances other than cash and cash equivalents	-	-	70.91	-	70.91
Loans	-	-	427.83	-	427.83
Total current financial assets (B)	170.98	-	1,617.20	-	1,788.18
Total financial assets (C=A+B)	170.98	-	1,634.36	-	1,805.34
Financial liabilities					
Non current financial liabilities					
Borrowings	456.05	-	3,181.59	-	3,637.64
Other financial liabilities	-	-	-	-	-
Total non-current financial liabilities (D)	456.05	-	3,181.59	-	3,637.64
Current financial liabilities					
Borrowings	-	-	388.08	-	388.08
Trade payables	32.04	0.17	263.03	0.13	295.36
Other financial liabilities	16.12	-	238.22	-	254.34
Total current financial liabilities (E)	48.15	0.17	889.33	0.13	937.78
Total financial liabilities (F=D+E)	504.20	0.17	4,070.91	0.13	4,575.42
Excess of financial liabilities over financial assets (F-C)	333.22	0.17	2,436.56	0.13	2,770.08
Hedge for foreign currency risk	-	-	-	-	-
Net exposure of foreign currency risk	333.22	0.17	-	0.13	333.52
Sensitivity impact on Net liabilities/(assets) exposure at 10%	33.32	0.02	-	0.01	33.35

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

(₹ in crores)

Particulars	As at March 31, 2016				
	USD	EURO	INR	Others	Total
Financial assets					
Non-current financial assets					
Investments	-	-	68.01	-	68.01
Loans	6.56	1.43	11.45	-	19.44
Derivative assets	46.57	-	-	-	46.57
Total non-current financial assets	53.13	1.43	79.47	-	134.02
Current financial assets					
Investments	148.70	34.59	17.75	-	201.05
Trade receivables	51.93	429.81	1,754.59	-	2,236.34
Cash and cash equivalents	4.91	139.48	564.30	0.68	709.37
Bank balances other than cash and cash equivalents	-	-	31.49	-	31.49
Loans	1.97	-	107.02	-	108.98
Total current financial assets	207.52	603.88	2,475.15	0.68	3,287.23
Total financial assets	260.65	605.31	2,554.62	0.68	3,421.25
Financial liabilities					
Non current financial liabilities					
Borrowings	1,713.22	241.22	3,179.74	7.19	5,141.36
Other financial liabilities	-	-	39.30	-	39.30
Total non-current financial liabilities	1,713.22	241.22	3,219.04	7.19	5,180.66
Current financial liabilities					
Borrowings	7.68	-	681.20	-	688.88
Trade payables	23.31	229.86	529.93	0.14	783.24
Other financial liabilities	2.64	116.67	657.49	-	776.80
Total current financial liabilities	33.63	346.53	1,868.62	0.14	2,248.92
Total financial liabilities	1,746.84	587.75	5,087.66	7.32	7,429.58
Excess of financial liabilities over financial assets	1,486.20	(17.56)	2,533.05	6.64	4,008.34
Hedge for foreign currency risk	(217.56)				(217.56)
Net exposure of foreign currency risk	1,268.64	(17.56)	-	6.64	1,257.72
Sensitivity impact on Net liabilities/(assets) exposure at 10%	126.86	(1.76)	-	0.66	125.77

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

(₹ in crores)

Particulars	As at March 31, 2015				
	USD	EURO	INR	Others	Total
Financial assets					
Non-current financial assets					
Investments	-	-	254.69	-	254.69
Loans	6.19	1.23	99.79	-	107.21
Derivative assets	37.10				37.10
Total non-current financial assets	43.29	1.23	354.48	-	399.01
Current financial assets					
Investments	231.44	33.97	17.40	-	282.81
Trade receivables	25.65	375.47	1,901.80	-	2,302.92
Cash and cash equivalents	8.16	60.81	353.36	0.72	423.05
Bank balances other than cash and cash equivalents	-	-	1.96	-	1.96
Loans	-	-	126.16	-	126.16
Total current financial assets	265.26	470.24	2,400.68	0.72	3,136.90
Total financial assets	308.55	471.48	2,755.16	0.72	3,535.90
Financial liabilities					
Non current financial liabilities					
Borrowings	891.05	256.71	1,993.31	7.89	3,148.95
Other financial liabilities	-	-	113.34	-	113.34
Total non-current financial liabilities	891.05	256.71	2,106.65	7.89	3,262.29
Current financial liabilities					
Borrowings	10.97	-	762.71	-	773.68
Trade payables	15.13	203.28	407.92	0.01	626.33
Other financial liabilities	1.90	106.54	1,064.63	-	1,173.07
Total current financial liabilities	27.99	309.81	2,235.26	0.01	2,573.08
Total financial liabilities	919.04	566.52	4,341.91	7.89	5,835.37
Excess of financial liabilities over financial assets	610.49	95.05	1,586.75	7.17	2,299.46
Hedge for foreign currency risk	(217.56)				(217.56)
Net exposure of foreign currency risk	392.93	95.05	-	7.17	495.15
Sensitivity impact on Net liabilities/(assets) exposure at 10%	39.29	9.50	-	0.72	49.52

5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to USD and EURO currency.

The above table details the Group's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A negative number indicates an increase in profit/equity where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit/equity and the balances would be positive.

5.2 Forward foreign exchange contracts

Company had entered into forward foreign exchange contracts to cover specific foreign currency payments and receipts.

6. Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group has exposure to interest rate risk, arising principally on changes in PLR and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

The table in 6.1 provides a break-up of the Group's fixed and floating rate borrowings:

6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Group's fixed and floating rate borrowings and interest rate sensitivity analysis.

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)
Fixed Loan	890.16	-	1,506.49	-	1,594.48	-
Variable Loan	3,315.15	16.58	4,842.92	24.21	3,025.32	15.13
Total	4,205.31	16.58	6,349.41	24.21	4,619.80	15.13

7. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks provided by the Group. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. As at 1 April 2015, no amount has been recognised in the financial position as financial liabilities.

7.1 Collateral held as security and other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

8. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. [Sub note 8.1 below sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

(₹ in crores)

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets												
Non-current financial assets												
Investments	-	-	11.69	11.69	-	-	68.01	68.01	-	-	254.69	254.69
Loans		5.47		5.47	-	17.45	1.99	19.44		107.21	-	107.21
Derivative assets	-	-	-	-	-	46.57	-	46.57	-	37.10	-	37.10
Total non-current financial assets	-	5.47	11.69	17.16	-	64.02	70.00	134.02	-	144.31	254.69	399.00
Current financial assets												
Investments	18.43	-	-	18.43	201.05	-	-	201.05	282.81	-	-	282.81
Trade receivables	627.02	-	-	627.02	2,236.34	-	-	2,236.34	2,302.92	-	-	2,302.92
Cash and cash equivalents	643.99	-	-	643.99	709.37	-	-	709.37	423.05	-	-	423.05
Bank balances other than cash and cash equivalents	70.91	-	-	70.91	31.49	-	-	31.49	1.96	-	-	1.96
Loans	427.83	-	-	427.83	108.98	-	-	108.98	126.16	-	-	126.16
Total current financial assets	1,788.19	-	-	1,788.19	3,287.23	-	-	3,287.23	3,136.90	-	-	3,136.90
Total financial assets	1,788.19	5.47	11.69	1,805.34	3,287.23	64.02	70.00	3,421.24	3,136.90	144.31	254.69	3,535.90
Financial liabilities												
Non current financial liabilities												
Borrowings	-	2,412.40	1,225.23	3,637.64	-	4,323.14	818.21	5,141.36	-	2,690.33	458.62	3,148.95
Other financial liabilities	-	-	-	-	-	39.30	-	39.30	-	113.34	-	113.34
Total non-current financial liabilities	-	2,412.40	1,225.23	3,637.64	-	4,362.44	818.21	5,180.66	-	2,803.67	458.62	3,262.29
Current financial liabilities												
Borrowings	388.08	-	-	388.08	688.88	-	-	688.88	773.68	-	-	773.68
Trade payables	295.36	-	-	295.36	783.24	-	-	783.24	626.33	-	-	626.33
Other financial liabilities	254.34	-	-	254.34	776.80	-	-	776.80	1,173.07	-	-	1,173.07
Total current financial liabilities	937.78	-	-	937.78	2,248.92	-	-	2,248.92	2,573.08	-	-	2,573.08
Total financial liabilities	937.78	2,412.40	1,225.23	4,575.42	2,248.92	4,362.44	818.21	7,429.58	2,573.08	2,803.67	458.62	5,835.37

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

49. Financial instruments (Contd.)

9. Fair value measurements

This note provides information about how the Group determines fair values of various financial assets. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Particulars	Fair values as at March 31, 2017	Fair values as at March 31, 2016	Fair values as at April 01, 2015	Level*	Valuation technique and key inputs
	(₹ in crores)	(₹ in crores)	(₹ in crores)		
Financial assets					
Non-current investments					
Investment in unquoted equity instruments					
BVM Finance Pvt Ltd.	8.54	7.50	12.58	3	Net assets method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Sintex Oil and Gas Ltd.	0.05	0.05	0.05	3	
Healwell International Ltd.	3.00	3.00	3.00	3	
Sixvents Power and Engineering Ltd.	0.01	0.01	-	3	
Investment in quoted equity instruments					
Dena Bank	0.09	0.09	0.09	1	Quoted bid prices in an active market
Others					
Derivatives	-	46.57	37.10	2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates) at the end of the reporting period) and contract forward rates discounted at a rate that reflects the credit risk of various counter parties
Current investments					
Investment in bonds	18.43	138.22	178.89	1	Quoted bid prices in an active market
Investment in Mutual Funds	-	62.83	103.92	1	

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

50. Income taxes relating to continuing operations

a. Income taxes recognised in Statement of Profit and Loss

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current tax		
In respect of the current year	28.22	6.58
Short provision for tax of earlier years	2.25	-
Deferred tax		
In respect of the current year	(23.17)	24.83
Total income tax expense recognised in the current year relating to continuing operations	7.30	31.41

b. Tax Reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Income before taxes	141.55	142.25
Enacted tax rate in India	34.608%	34.608%
Expected income tax (benefit)/expense at statutory tax rate	(48.99)	(49.23)
Effect of:		
Investment allowance tax credits	9.72	17.82
Tax effect on non-deductible expenses	(3.25)	-
Effect of income which is taxed at special rates	0.30	-
Others	5.05	-
Short provision for tax of earlier years	(2.25)	-
Permanent difference in nature of Assets/Demerger effect	32.12	-
Income taxes recognised in the Statement of Profit and Loss	(7.30)	(31.41)

The tax rate used for the 2016-17 and 2015-16 reconciliations above is the corporate tax rate of 30% plus surcharge @ 12% and cess @ 3% payable by corporate entities in India on taxable profits under the Indian tax laws.

c. Income tax recognised directly in equity

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Deferred tax		
Arising on transactions with owners:		
Initial recognition of the equity component of compounded financial instrument (FCCBs)	65.93	-
Conversion of portion of convertible financial instrument (FCCBs) into equity	(17.70)	-
Total income tax recognised directly in equity	48.22	-

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

50. Income taxes relating to continuing operations (Contd.)

d. Income tax recognised in other comprehensive income

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(0.03)	0.56
Total income tax recognised in other comprehensive income	(0.03)	0.56
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	(0.03)	0.56
Items that will be reclassified to Statement of Profit and Loss	-	-
	(0.03)	0.56

e. Components of Deferred Tax (charge)/benefit for the year

(₹ in crores)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation and amortisation	29.49	39.82
Unabsorbed depreciation	(42.51)	(14.09)
Disallowances under Income Tax	5.29	(0.72)
Provision of bad and doubtful debts	3.92	(0.18)
Others	4.99	-
MAT Credit Taken	(24.34)	-
Total deferred tax for the year	(23.17)	24.83

f. Components of deferred tax assets and liabilities

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Deferred tax liabilities			
(i) Difference between book and tax depreciation	396.41	766.85	542.80
(ii) Equity component of compounded financial instruments	48.22	-	-
(iii) Others	6.37	15.62	28.08
	451.00	782.47	570.88
(b) Deferred tax assets			
(i) Disallowances under Income Tax	7.46	14.03	10.72
(ii) Provision for doubtful debts & advances	0.29	4.41	3.48
(iii) Unabsorbed depreciation and losses	110.38	138.36	69.29
(iv) Minimum Alternate Tax	247.32	386.63	262.35
(v) Demerger expense as per section 35DD	0.04	-	-
(vi) Others	-	16.47	14.69
	365.49	559.90	360.53
Deferred tax liabilities (net)	85.51	222.57	210.35
Deferred tax liabilities	85.51	225.52	212.88
Deferred tax assets	-	2.95	2.53
Total	85.51	222.57	210.35

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

51. The Company has spent ₹9.40 crore (Previous Year ₹1.31 crore) towards schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

I. Gross amount required to be spent by the Company during the year ₹12.11 crore (Previous Year ₹9.38 crores)

II. Amount spent during the year on:

Particulars	(₹in crore)
i) Construction/Acquisition of any asset	-
	(1.00)
ii) For purposes other than (i) above	9.40
	(0.31)
[figures in brackets pertain to 2015-16]	

52. Share-based payments

Employee stock option plan of the Company

The Compensation Committee of the Board of Directors of the Company at its meeting held on September 28, 2015 resolved to wind up the Sintex Industries Limited Employee Stock Option Scheme, 2006 (ESOP Scheme) to comply with applicable provisions of SEBI (Share Based Employee Benefits) Regulations, 2014. Accordingly, the trustees of the said Sintex Employee Welfare Trust have divested the entire shareholding lying with the Trust. The Company has recovered the outstanding amount of loan in respect of shares allotted to ESOP Trust and has adjusted the difference between the cost of shares and amount of loan recovered against the balance of Employee Stock Options Outstanding account as per the Guidance Note on Accounting for Employee Share-based Payments. Consequent to winding up of the ESOP Scheme, balance amount of ₹ Nil (Previous year ₹3.76 crore) of Employee Stock Options outstanding account has been transferred to General Reserve.

53. Operating lease arrangements

The Company as lessee

Leasing arrangements

Particulars	(₹ in crores)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Office premises	2.18	1.25
Total	2.18	1.25

The lease agreements are executed for a period of 12 months with a renewal clause.

54. Interest on borrowings is net of interest subsidy of ₹129.52 crore.

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

55. Commitments

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	215.00	274.88	10.03
Total	215.00	274.88	10.03

56. Contingent liabilities

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
a. Company has imported machineries duty free under EPCG Scheme for which duty saved amount *	323.49	103.31	9.38
b. Disputed demand not acknowledged as debt against which the Company has preferred appeal	18.80	20.21	20.37
C. Performance guarantees given to customers by bankers	-	144.68	79.48

* Against duty saved of ₹323.49 crores company has export obligation of ₹1114.58 crore, out of which company has already completed export obligation of ₹403.17 crore for which company has applied for Export obligation discharge certificate to concerned licensing authority.

(₹ in crores)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Income Tax *	14.76	13.28	12.80
Excise Duty	-	0.87	0.87
Custom Duty	-	0.28	0.28
Sales Tax/ Value Added Tax	-	1.74	2.38
Service tax*	4.04	4.04	4.04
Total	18.80	20.21	20.37

* The amount deposited with the authority in respect of above Income Tax and Service Tax demands of ₹14.76 crore (previous year ₹13.28 crore) and ₹4.04 crore (previous year ₹4.04 crore) respectively

Notes To The Consolidated Financial Statements

for the year ended March 31, 2017

57. Contingent assets

The are no contingent assets recognised as at March 31, 2017.

58. Additional disclosure with respect to Cash and Bank on Specified Bank Note

(₹ in crores)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	3.64	0.17	3.81
(+) Permitted receipts	0.00	0.43	0.43
(-) Permitted payments	0.08	0.18	0.26
(-) Amount deposited in Banks	3.56	0.00	3.56
Closing cash in hand as on December 31, 2016	-	0.42	0.42

Note: For the purposes of this clause, the term 'Specified Bank Notes'(SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November, 2016

59. Approval of financial statements

The financial statements were approved for issue by the board of directors on 19th May, 2017

In terms of our Report attached

For Shah & Shah Associates
Chartered Accountants
(FRN 113742W)

Vasant C. Tanna
Partner
Membership No: 100422

Ahmedabad
Date : May 19, 2017

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman
(DIN : 00171089)
Arun P. Patel, Vice Chairman
(DIN : 00830809)
Rahul A. Patel, Managing Director (Group)
(DIN : 00171198)
Amit D. Patel, Managing Director (Group)
(DIN : 00171035)
S. B. Dangayach, Managing Director
(DIN : 01572754)

Ahmedabad
Date : May 19, 2017

Ramnikbhai H. Ambani, Director
(Din : 00004785)
Ashwin Lalbhal Shah, Director
(DIN : 00171364)
Narendra Kumar Bansal, Director
(DIN : 03086069)
Rajesh B. Parikh, Director
(DIN : 00171231)

Hitesh T. Mehta
Company Secretary
Prashant D. Shah
Head- Accounts, Audit & CFO

Form - AOC - 1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" :Subsidiary

(₹ in crore)

Sr. No	Name of the Subsidiary Company	Reporting period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments other than Investments in subsidiaries	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	BVM Overseas Limited	31/03/2017	INR	4.50	7.28	199.71	199.71	-	520.79	10.34	3.58	6.76	-	100.00%

Part "B" : Associates and Joint Ventures

(₹ in crore)

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Share of Associate / Joint Ventures held by the company on the year end							Profit / Loss for the year			
Sr. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	No.	Amount of Investment in Associate/Joint Venture (₹ in crore)	Extent of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in crore)	Considered in Consolidation (₹ in crore)	Not Considered in Consolidation	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated

NIL

Note :

A. There is significant influence due to percentage(%) of Share Capital.

Signatures to Notes forming part of Consolidated Financial Statements

For and on behalf of Board of Directors

Dinesh B. Patel, Chairman

(DIN : 00171089)

Arun P. Patel, Vice Chairman

(DIN : 00830809)

Rahul A. Patel, Managing Director (Group)

(DIN : 00171198)

Amit D. Patel, Managing Director (Group)

(DIN : 00171035)

S. B. Dangayach, Managing Director

(DIN : 01572754)

Ahmedabad

Date : May 19, 2017

Ramnikbhai H. Ambani, Director

(Din : 00004785)

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(DIN : 00171364)

Narendra Kumar Bansal, Director

(DIN : 03086069)

Rajesh B. Parikh, Director

(DIN : 00171231)

Hitesh T. Mehta

Company Secretary

Prashant D. Shah

Head- Accounts, Audit & CFO



Sintex Industries Limited
Kalol (N.G.) - 382721, Gujarat, India.