



Khatter & Associates

CHARTERED ACCOUNTANTS

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Independent Auditors' Report

To The Members of
Sabrimala Industries India Limited
(formerly known as Sabrimala Leasing and Holdings Limited)

Report on the Ind AS financial statements

Opinion

1. We have audited the accompanying Ind AS financial statements of M/s **Sabrimala Industries India Limited (formerly known as Sabrimala Leasing and Holdings Limited)** (hereinafter referred to as “the holding company”) and its subsidiary (the holding company and its subsidiaries together referred to as “the group”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“The Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Group as at March 31, 2019, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis of Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below in “Annexure-1” to this report to be the key audit matters to be communicated in our report.
5. The Holding Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Management's Responsibility for the Ind AS financial statements

6. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and for preventing and detecting the 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
 11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. 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 Group so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group 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 the 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 Group does not have any pending litigations as on March 31, 2019 which have impact on its financial position in its Ind AS financial statements;
 - ii. The Group does not have any derivatives contract and in respect of others long term contracts there are no material foreseeable losses as on March 31, 2019.
 - iii. There were no amounts which were required to be transferred to the investor education and protection fund by the Group during the year ended March 31, 2019.
 - iv. The reporting on disclosures relating to specified bank notes is not applicable to the Group for year ended March 31, 2019

For Khatter & Associates
Chartered Accountants
FRN: 021979N

ASHOK KUMAR
Partner
M.No.-094263

Place : New Delhi
Date : May 30, 2019



Khatter & Associates

CHARTERED ACCOUNTANTS

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Annexure "A" to the "Independent Auditors report"

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 **Sabrimala Industries India Limited (formerly known as Sabrimala Leasing and Holdings Limited)** (the holding company and its subsidiaries together referred to as "the group") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

Meaning of Internal Financial Controls over Financial Reporting

The Group '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 Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Group '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 Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group 's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Group 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 Khatter & Associates

Chartered Accountants

FRN: 021979N

ASHOK KUMAR

Partner

M.No.-094263

Place : New Delhi

Date : May 30, 2019

ANNEXURE-1

Key audit matter description

Assessment of impairment of Property, Plant and Equipment (Refer Note 6 to the Financial Statements)

Property, plant and equipment represent 27% of total assets on the balance sheet. If these were to be impaired, it would have a significant impact on reported loss and the balance sheet position of the Group.

Impairment assessment of property, plant and equipment was considered to be a key audit matter as the group has been incurring losses in the past few years and there is a risk that the recoverable amount could be less than the carrying value of assets.

The Management's assessment of impairment depends on the valuation approach followed to estimate the fair value of the assets and cost to sell and there is significant judgment in respect of:

- Estimated current replacement cost of the buildings taking in to consideration the specifications of the building such as (i) type of construction (ii) quality and quantity of materials (iii) area and (iv) height of the buildings etc.,
- Estimated current replacement costs for all other assets based on the price index; and
- Discounted rate and salvage value percentage estimated to arrive at fair value and cost to sell respectively.

The Management has concluded that the recoverable amount is higher than their carrying values and that no impairment provision is required.

How our audit addressed the key audit matter

Our procedures in relation to management's impairment assessment of property, plant and equipment included:

- Understanding and evaluating the controls and testing the operating effectiveness of the controls related to estimating the fair value of the assets ;
- Understanding the methodologies used by the external valuer, if any, engaged by the Management to estimate resale values ;
- Evaluating the external valuer's competence, capabilities, independence and objectivity ;
- Testing the accuracy and appropriateness of the input data including the specifications, provided by the Management to the external valuer ;

- Together with the auditor's valuation experts, assessing the following –
 - a. Valuation methodology
 - b. Assumptions used in the estimation of the resale values, current replacement cost, discount rates and salvage value.
 - c. Performed sensitivity analysis of possible changes to the key assumptions.

Based on the above procedures, the results of the Management's assessment of impairment of Property, Plant and Equipment was considered to be appropriate.

For Khatter& Associates
Chartered Accountants
FRN: 021979N

ASHOK KUMAR
Partner
M.No.-094263

Place : New Delhi
Date : May 30, 2019

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
(Formerly known as SABRIMALA LEASING AND HOLDINGS LIMITED)
1452, Aggarwal Metro Heights, Plot No. E-5,
Netaji Subhash Place, Pitampura, New Delhi-110034
Consolidated Balance Sheet as at March 31 ,2019

(Amount in Rs.)

| Particulars | Note No. | For the year ended 31- March- 2019 | For the year ended 31- March- 2018 |
|------------------------------------|----------|---------------------------------------|---------------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 2 | 871,45,000 | 871,45,000 |
| (b) Reserves and surplus | 3 | (190,94,139) | 18,16,259 |
| | | 680,50,861 | 889,61,259 |
| Minority Interest | | - | (22,304.00) |
| Non-current liabilities | | | |
| (a) Deferred tax liabilities (Net) | 25 | - | - |
| (b) Long-term borrowings | 4 | - | - |
| (c) Long-term provisions | 4 | 54,005 | 1,77,135 |
| | | 54,005 | 1,54,831 |
| Current liabilities | | | |
| (a) Trade payables | 5 | 46,72,340 | 56,76,104 |
| (b) Other current liabilities | 5 | 5,37,567 | 44,82,115 |
| (c) Short-term provisions | 4 | 181 | 1,97,649 |
| | | 52,10,088 | 103,55,868 |
| TOTAL | | 733,14,954 | 994,71,958 |
| ASSETS | | | |
| Non-current assets | | | |
| (a) Fixed assets | | | |
| Property, Plant and Equipment | 6 | 196,59,865 | 362,07,758 |
| (b) Investments | 7 | 1,00,000 | 1,00,000 |
| (c) Long-term loans and advances | 8 | 328,68,495 | 40,782 |
| (d) Deposits | 8 | 2,27,100 | 2,27,100 |
| | | 528,55,460 | 365,75,640 |
| Current assets | | | |
| (a) Deferred tax Assets (Net) | 25 | - | 10,83,259 |
| (b) Investments | 7 | 7,95,141 | 11,87,006 |
| (c) Inventories | 9 | 47,75,998 | 67,43,807 |
| (d) Trade receivables | 10 | 116,05,241 | 179,53,752 |
| (e) Cash and cash equivalents | 11 | 16,14,358 | 324,20,057 |
| (f) Short-term loans and advances | 8 | 1,56,000 | 2,06,000 |
| (g) Other Current assets | 12 | 15,12,756 | 33,02,437 |
| | | 204,59,494 | 628,96,319 |
| TOTAL | | 733,14,954 | 994,71,958 |
| | | 0 | 0 |

Summary of significant accounting policies 1

The accompanying notes are integral part of financial statements

As per our report on even date

For Khatter & Associates
Firm Registration No. 021979N
Chartered Accountants

Ashok Kumar
Partner
M.No. 094263

For and on behalf of Board of Directors

Sanjay Garg
DIN:01962743
Managing Director

Amit Kumar Saraogi
DIN:00560131
CFO-Director

Shiv Kumar Garg
DIN: 01962720
Chairman

Priyanshu Kumar Kandhway
M.No. - 45651
Company Secretary

Place: New Delhi
Date: May 30, 2019

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
(Formerly known as SABRIMALA LEASING AND HOLDINGS LIMITED)
1452, Aggarwal Metro Heights, Plot No. E-5,
Netaji Subhash Place, Pitampura, New Delhi-110034
Consolidated Profit and loss statement for the year ended on March 31, 2019

(Amount in Rs.)

| Particulars | Note No. | For the year ended 31- March- 2019 | For the year ended 31- March- 2018 |
|--|----------|---------------------------------------|---------------------------------------|
| INCOME | | | |
| Revenue from operations | 13 | 191,10,296 | 3160,72,035 |
| Other income | 14 | 22,12,119 | 106,16,967 |
| Total Revenue (I) | | 213,22,415 | 3266,89,002 |
| EXPENSES | | | |
| Purchases of stock in trade | 15 | 167,91,968 | 2917,15,981 |
| Changes in inventories of Stock-in-Trade | 16 | 19,67,809 | 147,47,407 |
| Employee Benefits Expenses | 17 | 30,21,391 | 65,33,780 |
| Finance costs | 18 | - | 27,50,190 |
| Depreciation and amortization expense | 6 | 22,81,210 | 25,01,306 |
| Other expenses | 19 | 170,61,160 | 122,88,681 |
| Total expenses | | 411,23,537 | 3305,37,344 |
| Profit before exceptional and extraordinary items and tax (III-IV) | | (198,01,122) | (38,48,342) |
| Exceptional items/ Prior Period Income | | - | (8,02,331) |
| Profit before tax (V - VI) | | (198,01,122) | (30,46,011) |
| Tax expense: | | | |
| (1) Pertaining to profits of current year | | - | 3,20,980 |
| (2) Tax relating to earlier periods | | 3,714 | (1,27,796) |
| (3) Deferred tax | | 10,83,259 | (12,13,733) |
| (4) MAT credit available | | - | (39,470) |
| Profit (Loss) for the period | | (208,88,095) | (19,85,992) |
| Minority Interest-Share of Profit | | - | (32,304) |
| Share in profit(Loss) of associate | | - | - |
| Profit for the year | | (208,88,095) | (19,53,688) |
| Profit (Loss) for the period attributable to | | | |
| (a) Owners of the parent | | (208,88,095) | (19,53,688) |
| (b) Non-controlling Interest | | - | - |
| Earnings per equity share: | | | |
| (1) Basic | | (2.397) | (0.228) |
| (2) Diluted | | - | - |

Summary of significant accounting policies

1

The accompanying notes are integral part of financial statements

As per our Attached report on even date

For Khatter & Associates
Firm Registration No. 021979N
Chartered Accountants

For and on behalf of Board of Directors

Ashok Kumar
Partner
M.No. 094263

Sanjay Garg
DIN:01962743
Managing Director

Shiv Kumar Garg
DIN: 01962720
Chairman

Amit Kumar Saraogi
DIN:00560131
CFO-Director

Priyanshu Kumar Kandhway
M.No. - 45651
Company Secretary

Place: New Delhi
Date: May 30, 2019

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
(Formerly known as SABRIMALA LEASING AND HOLDINGS LIMITED)
1452, Aggarwal Metro Heights, Plot No. E-5,
Netaji Subhash Place, Pitampura, New Delhi-110034
Consolidated Cash Flow Statement for the year ending on March 31,2019

(Amount in Rs.)

| Particulars | For the year ended 31- March- 2019 | For the year ended 31- March- 2018 |
|--|---------------------------------------|---------------------------------------|
| A. Cash Flow From Operating Activities | | |
| Net Profit before tax and extraordinary items | (19,801,122) | (3,848,342) |
| Adjustment for : | | |
| Depreciation | 2,281,210 | 2,501,306 |
| Interest Income | (2,681,295) | (1,137,445) |
| Provision for Retirement benefits | (94,512) | 122,068 |
| Provision for Lease Equilisation Reserve | (24,322) | 24,322 |
| Loss on sale of fixed Asset | 8,091,369 | - |
| Operating profit before working capital changes | (12,228,672) | (2,338,091) |
| Adjustment for : | | |
| Trade payables | (1,003,763) | (8,184,777) |
| Other current liabilities | (3,949,326) | 3,928,154 |
| Short-term provisions | (196,986) | 196,986 |
| Long-term loans and advances | (32,827,713) | 1,516,114 |
| Inventories | 1,967,809 | 14,747,407 |
| Trade receivables | 6,348,511 | 24,560,973 |
| Short-term loans and advances | 50,000 | 5,788,445 |
| Other current assets | 1,789,681 | (2,362,378) |
| Cash generated from operations | (40,050,459) | 37,852,834 |
| Direct taxes paid (net of refunds) | 3,714 | 153,714 |
| Cash flow before extraordinary items | (40,054,173) | 37,699,120 |
| Extra ordinary /prior period items | - | 807,331 |
| Net Cash generated from operating activities | (40,054,173) | 38,506,451 |
| B. Cash Flow From Investing Activities | | |
| Proceeds from issue of share capital | - | - |
| Purchase of fixed Assets | (40,500) | (7,188,039) |
| Sales of fixed Assets/investments | 6,215,814 | - |
| Purchase of Current Investment | 391,865 | - |
| Interest Received | 2,681,295 | 1,137,445 |
| Purchase of Non-Current Investment | - | (100,000) |
| Net Cash used in investing Activities | 9,248,474 | (6,150,593) |
| C. Cash Flow From Financing Activities | | |
| Liabilities/Provisions no longer required written back | - | - |
| Proceeds from new borrowings | - | - |
| Payment of Borrowings | - | (6,994,556) |
| Net Cash used in Financing activities | - | (6,994,556) |
| Net cash flow during the year(A+B+C) | (30,805,699) | 25,361,302 |
| Cash & Cash equivalents (Opening) | 32,420,057 | 7,058,755 |
| Cash & Cash equivalents (Closing) | 1,614,358 | 32,420,057 |

Note:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting standard (Ind As) 7 "Statement of Cash Flows".
- Figures in Bracket indicate cash outflow.
- Previous years comparatives have been reclassified to conform with current year's presentation, wherever applicable.

| | For the year ended 31- March- 2019 | For the year ended 31- March- 2018 |
|---|---------------------------------------|---------------------------------------|
| 4. Cash and Cash equivalent comprises of: | | |
| (a) Balances with banks; | | |
| In Current Account | 202,443 | 3,367,301 |
| In Term Deposits with bank | 156,646 | 28,442,264 |
| (b) Cash on hand; | 1,255,269 | 610,492 |
| | 1,614,358 | 32,420,057 |

This is the Cash Flow Statement referred to in our report of even date.

For Khatter & Associates
Firm Registration No. 021979N
Chartered Accountants

For and on behalf of Board of Directors

Ashok Kumar
Partner
M.No. 094263

Sanjay Garg
DIN:01962743
Managing Director

Shiv Kumar Garg
DIN: 01962720
Chairman

Amit Kumar Saraogi
DIN:00560131
CFO-Director

Priyanshu Kumar Kandhway
M.No. - 45651
Company Secretary

Place: New Delhi
Date: May 30, 2019

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
(Formerly known as SABRIMALA LEASING AND HOLDINGS LIMITED)

Notes to financial statements for the year ended March 31, 2019

1 Corporate Information

Sabrimala Industries India Limited (Formerly known as Sabrimala Leasing and Holding Limited) ('the Holding Group') is a Public Group domiciled in India. The Group is engaged in the business of trading of mobile phones and was incorporated on June 20, 1984. M/s Sabrimala Industries LLP ('the Subsidiary') is incorporated on 06/09/2016. The Holding Group and its subsidiaries together referred to as "the Group".

2 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory Indian Accounting Standards (Ind AS) Rules, 2015, as amended and other relevant provisions of the act. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous period.

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Indian Accounting Standard (Ind AS) 110, "Consolidated Financial Statements". The consolidated financial statements comprise the financial statements of the Group, its controlled trusts and its subsidiaries as disclosed in Note 23, combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealised gain/ loss. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Minority interests have been excluded. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group.

2.1 Significant Accounting Policies

a. Use of estimates

The preparation of financial statements are in conformity with generally accepted accounting principles (Indian GAAP) and requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

b. Property, Plant and Equipment

Property, Plant and Equipment, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in-progress is stated at cost.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

c. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment assets is calculated on a straight line basis using rates arrived at based on the useful lives estimated by the management. The Group has used following estimated useful lives to provide depreciation on its property, plant and equipment:

| Property, Plant and Equipment | Life as per Management | Life as per Schedule II |
|--|------------------------|-------------------------|
| Plant & Machinery | 20 | 20 |
| Building | | |
| - Office Building | 60 years | 60 years |
| - Factory Building | - | - |
| Office Equipment | 5 years | 5 years |
| Computer | | |
| - Servers and networks | - | - |
| - End user devices, such as, desktops, laptops, etc. | 3 years | 3 years |

Residual value of property, plant and equipment is considered at 5%.

d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed six years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Group amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Indian Accounting Standard (Ind AS) 5 "Accounting Policies, Changes in Accounting Estimates and Errors".

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

e. Leases

Where the Group is lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized leased asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

f. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g. Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

h. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable and on reasonable certainty of realisation thereof.

Notes to financial statements for the year ended March 31, 2019

(ii) Sale of goods

Revenue from sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer usually on delivery of Goods to the customer. The Group collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

(iii) Service Income

Income from services are recognized on accrual basis as per the terms of agreement as and when such services are rendered. The Group collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

(iv) Dividend received

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

j Inventories (Valued at lower of cost and net realisable value)

Inventory of Raw materials and components, Stores and spares (including packing materials) is valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first in first out basis.

Inventory of Finished goods, Work-in-progress and Moulds, tools and dies in process is valued at Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

k. Retirement and other employee benefits

The Group operate one defined benefit plan for its employees. The cost of providing benefits under Gratuity plan is determined on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

l. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current period and reversal of timing differences for the earlier periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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.

Notes to financial statements for the year ended March 31, 2019

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

m. Foreign currency transactions and balances

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period.

n. Earnings / (Loss) Per Share

Basic earnings / (Loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings / (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Segmental Reporting

The Group's operating businesses are recognized and managed separately according to the nature of products and services with each segment representing a strategic business unit that offers different product and serves different markets. The analysis of business segments is based on the distinguishable component of the enterprise that is engaged in providing an individual product or service or a group of related product or services that is subject to risks and returns that are different from those of other business segment.

o. Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

p. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

q. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
(Formerly known as SABRIMALA LEASING AND HOLDINGS LIMITED)
Consolidated Notes forming part of Accounts as on March 31, 2019

(Amount in Rs.)

| Particulars | As at 31- March-2019 | As at 31- March-2018 |
|--|-------------------------|-------------------------|
| Note : 2. SHARE CAPITAL | | |
| Authorised Capital | 100000000 | 100000000 |
| 10,000,000(Previous Year 10,000,000) equity shares of Rs. 10 each | | |
| Issued & Subscribed Fully Paid Share Capital | 871,45,000 | 871,45,000 |
| 8,714,500(Previous Year 8,714,500) equity shares of Rs. 10 each | | |
| Total Issued & Subscribed Fully Paid Share Capital | 871,45,000 | 871,45,000 |

(a) **Reconciliation Statement of Shares outstanding at the beginning and at the end of the year**

| Particulars | As at 31-March-2019 | | As at 31-March-2018 | |
|---|---------------------|-------------------|---------------------|-------------------|
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 87,14,500 | 871,45,000 | 87,14,500 | 871,45,000 |
| Shares issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 87,14,500 | 871,45,000 | 87,14,500 | 871,45,000 |

(b) **Rights, Preferences and restrictions to Equity Shares**

The Company has only one class of shares having a par value of Rs. 10/- each. Each holder of equity shares is eligible for one vote per share held. Dividend if declared, then paid in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the shareholders of equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

(c) **Details of shares held by shareholders holding more than 5% of the aggregate**

| Particulars | As at 31-March-2019 | | As at 31-March-2018 | |
|-------------|---------------------|--------|---------------------|--------|
| | Number | Amount | Number | Amount |
| NIL | - | - | - | - |

| Particulars | As at 31- March-2019 | As at 31- March-2018 |
|--|-------------------------|-------------------------|
| Note : 3. Reserves and Surplus | | |
| Surplus in the Statement of Profit and Loss Account | | |
| Opening Balance | 18,16,259 | 37,64,947 |
| Profit/(Loss) for the year | (208,88,095) | (19,53,688) |
| Prior Period Adjustment | - | 5,000 |
| Adjustment in Minority Interest due to change in Partnership Ratio | (22,304) | - |
| Closing Balance | (190,94,139) | 18,16,259 |

| Particulars | Long Term | | Short Term | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at 31- March-2019 | As at 31- March-2018 | As at 31- March-2019 | As at 31- March-2018 |
| Note : 4. Long term Liabilities & Provisions | | | | |
| Provisions for Gratuity | 54,005 | 1,52,813 | 181 | 663 |
| Provision for Lease Equilization | - | 24,322 | - | - |
| Income Tax Provision | - | - | - | 1,96,986 |
| | 54,005 | 1,77,135 | 181 | 1,97,649 |

| Particulars | As at 31- March-2019 | As at 31- March-2018 |
|---|-------------------------|-------------------------|
| Note : 5. Trade Payables and other current liabilities | | |
| Trade Payables | | |
| Total Outstanding dues of creditors micro and small enterprises | - | - |
| Total Outstanding dues of creditors other than micro, small enterprises | 46,72,340 | 56,76,104 |
| | 46,72,340 | 56,76,104 |
| Other current liabilities | | |
| Advance received from Customers | - | 30,45,661 |
| Advance to Suppliers | (56,795) | - |
| Creditor For Expenses | 5,82,174 | 12,49,767 |
| Other payables | | |
| - Duties & Taxes | 12,188 | 1,86,687 |
| | 5,37,567 | 44,82,115 |
| Total other current Liabilities | 52,09,907 | 101,58,219 |

Additional Information

The Company has not received any intimation from the "Suppliers" regarding their status under the "Macro, Small and Medium Enterprise Development Act, 2006" and hence disclose regarding amounts unpaid as at the balance sheet date cannot be given.

| Particulars | As at 31- March-2019 | As at 31- March-2018 |
|---|-------------------------|-------------------------|
| Note : 7. Investments | | |
| Non-Current | | |
| Investment in Pantomath Investment Sabrimala Managers LLP | 1,00,000 | 1,00,000 |
| | 1,00,000 | 1,00,000 |
| Current | | |
| Investment in Shares | | |
| - Amber Enterprises India Limited | - | 48,436.00 |
| - Apollo Micro Systems Limited | 3,48,041 | 8,15,970.19 |
| - Mohini Health & Hygiene Limited | 1,02,000 | 2,06,100.00 |
| - SKS Textile Limited | 71,900 | 1,16,500.00 |
| - Innovators Façade Systems Ltd. | 1,85,600 | - |
| - Softech Engineers Limited | 87,600 | - |
| | 7,95,141 | 11,87,006 |
| | 8,95,141 | 12,87,006 |

| Particulars | Non-Current | | Current | |
|---------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at 31- March-2019 | As at 31- March-2018 | As at 31- March-2019 | As at 31- March-2018 |
| Note : 8. Loans & Advances | | | | |
| Security Deposits: | | | | |
| Unsecured, considered good | 2,27,100 | 2,27,100 | 1,56,000 | 2,06,000 |
| Inter Corporate Deposits | | | | |
| Unsecured, considered good | 328,68,495 | 40,782 | - | - |
| | 33095595 | 267882 | 1,56,000 | 2,06,000 |

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
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SCHEDULE OF FIXED ASSETS AS PER COMPANIES ACT 2013

Note No. 6

Following are the changes in the carrying cost of fixed assets for the year ended March 31, 2019:

| Particulars | Tangible assets | | | | | | | Intangible assets | | | Total |
|--------------------------------------|-----------------|----------------------------------|-------------------|----------------------|-------------------|-------------|-------------|-------------------|----------|-------|-------------|
| | Building | Computer & Data Processing Units | Office Equipments | Furniture & Fittings | Plant & Machinery | Capital WIP | Total | Goodwill | Software | Total | |
| Original Cost | | | | | | | | | | | |
| As at April 1, 2018 | 214,37,084 | 9,43,257 | 11,21,999 | 2,87,500 | 156,95,804 | - | 394,85,644 | - | - | - | 394,85,644 |
| Addition/adjustments during the year | - | - | - | - | 40,500 | - | 40,500 | - | - | - | 40,500 |
| Deduction/Retirement during the year | - | - | - | - | 156,95,804 | - | 156,95,804 | - | - | - | 156,95,804 |
| As at March 31, 2019 | 214,37,084 | 9,43,257 | 11,21,999 | 2,87,500 | 40,500 | - | 238,30,340 | - | - | - | 238,30,340 |
| Depreciation and amortisation | | | | | | | | | | | |
| As at April 1, 2018 | 14,54,849 | 4,62,986 | 6,25,702 | 71,987 | 6,62,363 | - | 32,77,887 | - | - | - | 32,77,887 |
| For the year | 9,73,135 | 2,99,882 | 2,23,681 | 55,796 | 7,28,716 | - | 22,81,210 | - | - | - | 22,81,210 |
| Addition/adjustments during the year | - | - | - | - | (13,88,622) | - | (13,88,622) | - | - | - | (13,88,622) |
| As at March 31, 2019 | 24,27,984 | 7,62,868 | 8,49,383 | 1,27,783 | 2,457 | - | 41,70,475 | - | - | - | 41,70,475 |
| Net Book Value | | | | | | | | | | | |
| As at March 31, 2019 | 190,09,100 | 1,80,389 | 2,72,616 | 1,59,717 | 38,043 | - | 196,59,865 | - | - | - | 196,59,865 |

Following are the changes in the carrying cost of fixed assets for the year ended March 31, 2018:

| Particulars | Tangible assets | | | | | | | Intangible assets | | | Total |
|--------------------------------------|-----------------|----------------------------------|-------------------|----------------------|-------------------|-------------|------------|-------------------|----------|-------|------------|
| | Building | Computer & Data Processing Units | Office Equipments | Furniture & Fittings | Plant & Machinery | Capital WIP | Total | Goodwill | Software | Total | |
| Original Cost | | | | | | | | | | | |
| As at April 1, 2017 | 214,37,084 | 6,15,023 | 11,09,417 | - | 88,67,058 | 2,69,025 | 322,97,607 | - | - | - | 322,97,607 |
| Addition/adjustments during the year | - | 3,28,234 | 12,582 | 2,87,500 | 68,28,746 | - | 74,57,062 | - | - | - | 74,57,062 |
| Deduction/Retirement during the year | - | - | - | - | - | 2,69,025 | 2,69,025 | - | - | - | 2,69,025 |
| As at March 31, 2018 | 214,37,084 | 9,43,257 | 11,21,999 | 2,87,500 | 156,95,804 | - | 394,85,644 | - | - | - | 394,85,644 |
| Depreciation and amortisation | | | | | | | | | | | |
| As at April 1, 2017 | 4,31,896 | 1,18,155 | 2,26,530 | - | - | - | 7,76,581 | - | - | - | 7,76,581 |
| For the year | 10,22,953 | 3,44,831 | 3,99,172 | 71,987 | 6,62,363 | - | 25,01,306 | - | - | - | 25,01,306 |
| Addition/adjustments during the year | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | 14,54,849 | 4,62,986 | 6,25,702 | 71,987 | 6,62,363 | - | 32,77,887 | - | - | - | 32,77,887 |
| Net Book Value | | | | | | | | | | | |
| As at March 31, 2018 | 199,82,235 | 4,80,271 | 4,96,297 | 2,15,513 | 150,33,441 | - | 362,07,757 | - | - | - | 362,07,757 |

| Particulars | As at 31- March-2019 | As at 31- March-2018 |
|---|-------------------------|-------------------------|
| Note : 9. Inventories (At cost or net realisable value, which is lower) | | |
| Stock -in trade | 47,75,998 | 67,43,807 |
| | 47,75,998 | 67,43,807 |

| Particulars | As at 31- March-2019 | As at 31- March-2018 |
|--|-------------------------|-------------------------|
| Note : 10. Trade Receivables Debt outstanding for a period exceeding six months from the date they are due for payment Unsecured, Considered good | 115,34,441 | 119,44,118 |
| Others Unsecured, Considered good | 70,800 | 60,09,634 |
| | 116,05,241 | 179,53,752 |
| Note : 11. Cash and cash equivalents | | |
| Balances with banks; In Current Account Cheque in hand | 2,02,443 - | 29,56,395 4,10,906 |
| Cash on hand | 12,55,269 | 6,10,492 |
| Other Bank Balance Deposit with original maturity of more than 3 months but less than 12 months | 1,56,646 | 284,42,264 |
| | 16,14,358 | 324,20,057 |
| Note : 12. Other current Assets | | |
| Receivable in cash or in kind | - | 1,17,719 |
| MAT Receivable | 29,220 | 29,220.00 |
| Prepaid Expenses | - | 29,749 |
| Tax Refundable AY 2017-18 | 63 | 3,98,610 |
| Balance with Statutory/ government authorities | 14,78,692 | 10,22,504 |
| Interest Accrued but not due | 4,781 | - |
| Advance To Employees | - | 22,910.00 |
| Advance to Suppliers | - | 16,81,725.04 |
| | 15,12,756 | 33,02,437 |

SABRIMALA INDUSTRIES INDIA LIMITED & ITS SUBSIDIARIES
(Formerly known as SABRIMALA LEASING AND HOLDINGS LIMITED)
Consolidated Notes forming part of Accounts as on March 31, 2019

(Amount in Rs.)

| Particulars | For the year ended 31- March- 2019 | For the year ended 31- March- 2018 |
|---|---------------------------------------|---------------------------------------|
| Note : 13. Revenue from operations | | |
| Sale of Products | | |
| Sale of traded item | 191,10,296 | 3160,72,035 |
| | 191,10,296 | 3160,72,035 |
| Note : 14. Other Income | | |
| Incentive & Discount Received From Supplier | 2,25,007 | 48,41,531 |
| Interest Income | 26,81,295 | 11,37,445 |
| Profit/Loss on sale of Investment in Shares | (7,69,348) | 42,90,585 |
| Miscellaneous Income | 75,165 | 3,47,406 |
| | 22,12,119 | 106,16,967 |
| Note : 15. Purchase of stock-in-trade | | |
| Purchase of Stock | 167,91,968 | 2917,15,981 |
| Net Purchase of Stock in trade | 167,91,968 | 2917,15,981 |
| Note : 16.Changes in Inventories of Stock- in- trade | | |
| Opening Stock- Traded Goods | 67,43,807 | 214,91,214 |
| Less: Closing Stock- Traded Goods | 47,75,998 | 67,43,807 |
| (Increase)/ Decrease in Stock | 19,67,809 | 147,47,407 |
| Note : 17. Employee Benefits Expenses | | |
| Salaries and Wages including bonus & other Incentives | 24,52,409 | 52,05,873 |
| Staff Welfare | 69,292 | 1,41,431 |
| Gratuity Expense (Refer note 22) | (74,337) | 1,22,068 |
| Stipend Expenses | | 36,730 |
| E.P.F Employer Contribution | 29,201 | 60,068 |
| E.S.I Employer Contribution | 40,826 | 1,27,610 |
| Director's Remuneration & Fees | 5,04,000 | 8,40,000 |
| | 30,21,391 | 65,33,780 |
| Note : 18. Finance Costs | | |
| Interest on Loan | - | 26,60,981 |
| Interest on TDS & GST | - | 6,147 |
| Bank Charges | - | 83,061 |
| | - | 27,50,190 |

| Particulars | For the year ended 31- March- 2019 | For the year ended 31- March- 2018 |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Note : 19. OTHER EXPENSES | | |
| Bad debt & Balances Written off | 29,15,288 | 1666114 |
| Legal & Professional Fee | 3,60,608 | 2,40,108 |
| Miscellaneous Expenses | 4,49,186 | 117398 |
| Office Expenses | 4,80,222 | 1084016.52 |
| Office Maintenance & Repair Expenses | 3,21,998 | 344262 |
| Power, Fuel and Water Expenses | 7,10,121 | 873017 |
| Rent , rates & Taxes | 9,01,899 | 10,67,891 |
| Marketing & Sales Promotion Expenses | 16,82,434 | 5527198 |
| Consumables Expenses | 7,49,634 | 7,35,480 |
| Factory Expenses | 2,88,402 | 5,23,196 |
| Loss on Sale of Fixed Assets | 80,91,368 | - |
| | 169,51,160 | 121,78,681 |
| Payment To Auditor | | |
| As auditor (audit fees) | 1,10,000 | 1,10,000 |
| | 1,10,000 | 1,10,000 |

Note -20**DISCLOSURE IN ACCORDANCE WITH REVISED Ind AS-15 ON "EMPLOYEE BENEFITS"**

(ii) The Group operate one defined benefit plan for its employees. The cost of providing benefits under Gratuity plan is determined on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

A reversal of provision for retirement benefits amounting Rs. -94,512/- has been made as per the Certificate from Actuary.

Note -21**SEGMENT REPORTING****(a) Primary Segment (by Business Segment):**

Disclosure regarding operating segments as per Indian Accounting Standard (Ind AS) 108 " Operating Segment", have not been provided since the Group's business activity falls within single reportable business segment.

(b) Secondary Segment (by Geographical demarcation):

There is no secondary segment to be reported under Geographical demarcation as Group has operated in India Only.

Note-22**RELATED PARTY DISCLOSURES**

Details of disclosure as required by Indian Accounting Standard (Ind AS)24 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are as under:

i) Names of Related Parties and nature of relationship:

| Relationship | Name of Related Party |
|--|---|
| Related Party where control exist | |
| Proprietary of Director(Control Exist) | Sabrimala Industries |
| Related Parties with whom transactions have taken place during the year | |
| Key Management Personnel and their relatives | Mr. Sanjay Garg (Managing Director) Mr. Amit Kumar Saraogi (Director-CFO) Ms. Vandana Garg (W/o Shiv Kr Garg) Mr. Priyanshu Kumar Kandhway(Company Sec Ms. Chetna (Company Secretary) |

ii) Description of transaction with Related Parties in normal course of business

| Particulars | Key Management Personnel | |
|---|--------------------------|-----------|
| | 2018-19 | 2017-18 |
| Managerial Remuneration | | |
| - Mr. Sanjay Garg (Managing Director) | 2,52,000 | 3,90,000 |
| - Mr. Amit Kumar Saraogi (Director-CFO) | 2,52,000 | 3,90,000 |
| Salary | | |
| - Ms. Vandana Garg | 1,53,000 | - |
| - Ms. Chetna (Company Secretary) | 1,07,137 | 3,11,498 |
| - Mr. Priyanshu Kumar Kandhway(Company Secretary) | 1,49,681 | - |
| Sale of Goods | | |
| - Sabrimala Industries | 70,800 | - |
| Purchase | | |
| - Krone Corporation | - | 43,00,469 |

Note-21A

Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements

| Name of the entity in the | Net Assets, i.e., total assets minus total | | Share in profit or loss | |
|---|--|-------------|-------------------------------------|--------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| 1 | 2 | 3 | 4 | 5 |
| Sabrimala Industries India Limited Subsidiaries Indian | 100% | 680,50,861 | 32% | (67,00,956) |
| Sabrimala Industries LLP | 5% | 34,40,608 | 68% | (141,87,139) |
| Subtotal | 105% | 714,91,469 | 100% | (208,88,095) |
| Adjustment due to consolidation | -5% | (34,40,608) | | |
| Minority Interest in all subsidiaries | | - | | - |
| Associates (Investment as per the equity method) Indian | | - | | - |
| TOTAL | | 680,50,861 | | (208,88,095) |

List of Subsidiaries & Associates

| Name of the Company | Relationship | Holding | Previous Year holding |
|--------------------------|--------------|---------|-----------------------|
| Sabrimala Industries LLP | Subsidiary | 100.00% | 99.00% |

iii) The amounts of outstanding items pertaining to related parties at the balance sheet date

| Particulars | Key Management Personnel | |
|---|--------------------------|---------|
| | 2018-19 | 2017-18 |
| Managerial Remuneration | | |
| Mr. Sanjay Garg (Managing Director) | 11,000 | 10,000 |
| Mr. Amit Kumar Saraogi (Director-CFO) | 9,000 | 48,455 |
| Mr. Priyanshu Kumar Kandhway(Company Secretary) | 25,161 | - |
| Ms. Chetna (Company Secretary) | - | 29,032 |
| Sabrimala Industries | 70,800 | - |

Note-23

In the opinion of the Board, the current assets, loans & advances shown in the Balance Sheet have a value of realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known and determined liabilities is adequate.

Note-24

ADDITIONAL INFORMATION

| | |
|------------------------------------|---|
| a) Remuneration to Directors | : Rs. 5,04,000/- (Previous Year- 7,80,000/-) |
| b) Auditor's Remuneration:- | |
| As auditor | : Rs 1,10,000/- plus taxes (Previous Year Rs. 1,10,000/-) |
| c) C.I.F. Value of Imports | : NIL (Previous Year Rs. NIL) |
| d) Expenditure in Foreign Currency | : Foreign Travelling Rs. 0/- (Previous Year Rs. 79,000/-) |
| e) Earnings in Foreign Exchange | : NIL (Previous Year Rs. NIL) |

Note No. 25

As required by Indian Accounting Standard (Ind AS)12 "Income Taxes", the Company has recognised deferred tax Liability, which result from timing differences between book profits and tax profits, the details of which are as under:

| Particulars | Balance as at | Addition/Deletion During the Year | Balance as at |
|--|---------------|--------------------------------------|---------------|
| | 01.04.2018 | | 31.03.2019 |
| (i) Deferred Tax Liability | | | |
| (a) Related to Depreciation | 2,13,789 | (2,13,789) | - |
| (b) Related to Losses | - | - | - |
| (c) Related to Other adjustments | 1,27,682 | (1,27,682) | - |
| (ii) Deferred Tax Assets | | | |
| (a) Related to Depreciation | 1,957 | (1,957) | - |
| (b) Related to Losses | 13,96,678 | (13,96,678) | - |
| (b) Arises due to Income Tax rate change from current year | 26,095 | (26,095) | - |
| Deferred Tax Assets | (10,83,259) | 10,83,259 | - |

Note-26

CONTINGENT LIABILITIES

As certified by Management , Contingent Liabilities and commitments not provided for in the accounts : Nil (Previous Year : Nil)

Note-27**EARNINGS PER SHARE**

The following reflects the profit and share data used in the basic and diluted EPS computation:

| | 2018-19 | 2017-18 |
|--|--------------|-------------|
| (a) Net Profit after tax available for equity shareholders | (208,88,095) | (19,85,992) |
| (b) Weighted Average number of Basic/ Diluted Equity shares of Rs. 10.00 each outstanding during the year (No. of Shares) | 87,14,500 | 87,14,500 |
| (c) Basic/ Diluted Earnings per share (a/b) | (2.40) | (0.23) |

Note: The Group does not have any outstanding dilutive potential equity shares.

Note-29**PREVIOUS YEAR FIGURES**

Previous Year's figures have been regrouped /rearranged, wherever necessary.

As per our report of Even Date

For Khatter & Associates
Chartered Accountants
Firm Registration No. 021979N

For and on behalf of Board of Directors

Ashok Kumar
Partner
M.No. 094263

Sanjay Garg
DIN:01962743
Managing Director

Shiv Kumar Garg
DIN: 01962720
Chairman

Amit Kumar Saraogi
DIN:00560131
CFO-Director

Priyanshu Kumar Kandhwa
M.No. - 45651
Company Secretary

Place: New Delhi
Date: May 30, 2019