

**R. N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
**2659/2, GURDWARA ROAD, KAROL BAGH**  
**NEW DELHI 110 005**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITIL POLYMER PRIVATE LIMITED**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of **MITIL POLYMER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (collectively referred to as "Ind AS financial statements").

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

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the Ind AS financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 (Ind AS) prescribed 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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



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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.
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 purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of changes in equity dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- 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 Auditor's) 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 on its financial position in its financial statements.
  - ii. The Company did not have any material foreseeable losses on long term contracts including derivatives contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- h) In our opinion and to the best of our information, the remuneration paid by the Company to its directors during the year is in accordance with the provision of Section 197 of The Act.



Place : New Delhi  
Date : 23<sup>rd</sup> April, 2019

**For R.N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
**(Registration No. 002023N)**

*R.N. SARAF*

**R.N. SARAF, F.C.A.**  
**Membership No. 12439**

**R. N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
**2659/2, GURDWARA ROAD, KAROL BAGH**  
**NEW DELHI 110 005**

**“ANNEXURE A” TO THE AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF THE MITIL POLYMER PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:-

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets has been physically verified by the management at the year end. According to the information and explanation given to us, no material discrepancies have been noticed on such verification.
- (c) The Company does not own an immovable property hence, particulars of title deed does not apply.
- (ii) The Management has conducted physical verification of inventory at reasonable intervals during the year. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) 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 companies Act. Consequently, the requirement of clause 3(iii) (a), (b) and (c) of the Companies (Auditor’s Report) Order, 2016 is not applicable.
- (iv) The company does not have any loans, investments, guarantees and security referred to in Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits from the public.



- (vi) The nature of the Company's business is such that maintenance of cost records specified by the central Government under sub section (1) of section 148 of The Companies Act, is not applicable.
- (vii) (a) According to the records, information and explanations provided to us, Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, cess and other statutory dues applicable to it and no undisputed Amounts payable were outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.
- (b) There is no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loans or borrowings from financial institutions, government or has not issued any debenture.
- (ix) The Company has not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place : New Delhi  
Date : 23<sup>rd</sup> April, 2019



**FOR R.N.SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
(Registration No. 002023N)

*R.N. /*  
**R.N. SARAF, F.C.A.**  
(Membership No. 12439)

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**ANNEXURE B TO THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF THE MITIL POLYMER PRIVATE LIMITED 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 **MITIL POLYMER PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 ('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 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the effectiveness of 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, 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 financial statements, whether due to fraud or error.

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





## **Meaning of Internal Financial Controls over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

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



Place: New Delhi  
Date: 23<sup>rd</sup> April, 2019

**For R.N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
(Registration No. 002023N)

*R.N. Saraf*

**R.N. SARAF, F.C.A.**  
**Membership No. 12439**

## **MITIL POLYMER PRIVATE LIMITED**

**Notes forming part of financial statements for the year ended 31 March, 2019**

### **Note 1: Corporate Information**

MITIL Polymer Private Limited (the Company) was incorporated in India on October 07, 2016. The Company is primarily involved in the trading of Engineering Plastic Resin.

### **Note 2: Basis of Preparation**

#### **A. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in **Note 40**

The financial statements were authorised for issue by the Company's Board of Directors on April 23, 2019.

Details of the Company's accounting policies are included in **Note 3**.

#### **B. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.

#### **C. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items:

(a) Certain financial assets and liabilities	Fair value
(b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

#### **D. Use of estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.



## MITIL POLYMER INDIA LIMITED

Notes forming part of financial statements for the year ended 31 March, 2019

Critical estimates and judgements

Areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 34
- Estimated useful life of tangible and intangible assets – Note 3(D)
- Estimation of defined benefit obligation – Note 33

### E. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable -inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

Further information about the assumptions made in measuring fair values of financial instruments – Note 40

### Note 3: Significant Accounting Policies

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

#### A) Foreign currency

- i. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- ii. Foreign currency loans covered by forward exchange contracts are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward contract and exchange rate on the date of transaction.
- iii. Current assets and liabilities (other than those relating to fixed assets and investments) are restated at the rates prevailing at the year-end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of transaction is recognized as income or expense in Statement of Profit and Loss. In respect of transactions covered by forward exchange contracts, the



## MITIL POLYMER INDIA LIMITED

### Notes forming part of financial statements for the year ended 31 March, 2019

difference between the contract rate and the rate on the date of transaction is recognized in Statement of Profit and Loss.

#### B) Financial Instruments

##### i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

##### ii. Classification and subsequent measurement

###### Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as 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.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

#### *Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see Note 3(b)(iii) for derivatives designated as hedging instruments.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.



## MITIL POLYMER INDIA LIMITED

Notes forming part of financial statements for the year ended 31 March, 2019

### *Financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on DE recognition is also recognised in profit or loss. See Note 3(b)(iii) for financial liabilities designated as hedging instruments.

#### *iii. De-recognition*

##### *Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

##### *Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

#### *iv. Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### *v. Derivative financial instruments and hedge accounting*

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.



## **MITIL POLYMER INDIA LIMITED**

### **Notes forming part of financial statements for the year ended 31 March, 2019**

#### *Cash flow hedges*

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognised separately within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

#### **C) Current versus non-current classification**

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

- (a) expected to be realised in, or is intended to be sold or consumed in normal operating cycle;
- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within 12 months after the reporting date; or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is current when:

- (e) it is expected to be settled in normal operating cycle;
- (f) it is held primarily for the purpose of being traded;
- (g) it is due to be settled within 12 months after the reporting date; or
- (h) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

#### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.



## MITIL POLYMER INDIA LIMITED

Notes forming part of financial statements for the year ended 31 March, 2019

### D) Property, plant and equipment

#### i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

#### ii) Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 40(i))

#### iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iv) Depreciation/Amortization

Depreciation on fixed assets is provided over the useful life of the assets based on technological evaluation or the useful life for the tangible assets prescribed under Schedule II of Companies Act, 2013 as under:

(i)	Plant and Equipments	15 years
(ii)	Furniture and Fixtures	10 years
(iii)	Vehicles	8 years
(iv)	Office Equipment's	5 years
(v)	Computer Hardware	
	-Servers and networks	3 years
	-End user devices	3 years

### E) Intangibles

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis.



## **MITIL POLYMER INDIA LIMITED**

### **Notes forming part of financial statements for the year ended 31 March, 2019**

The cost of Intangible assets is amortized over a period of four years the estimated economic life of the assets.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal 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.

#### **i) Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets. (See Note 40(i))

### **F) Impairment**

#### **i) Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the financial asset is 90 days or more past due.

#### *Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### *Presentation of allowance for expected credit losses in the balance sheet*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.





## **MITIL POLYMER INDIA LIMITED**

**Notes forming part of financial statements for the year ended 31 March, 2019**

### *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### **ii) Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **G) Non-current assets or disposal group held for sale**

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and employee benefit assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property and plant and equipment are no longer amortised or depreciated.



## **MITIL POLYMER INDIA LIMITED**

**Notes forming part of financial statements for the year ended 31 March, 2019**

### **H) Inventories**

Inventories which comprise, stock-in-trade, is carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

Stock – in – trade inventory is exclusive of goods and services tax (GST).

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

### **I) Revenue recognition**

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. The amount recognized as revenue is exclusive of goods & service tax (GST). This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

### **J) Provisions (other than employee benefits)**

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for...

#### **i) Contingencies**

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

### **K) Provisions (other than employee benefits)**

#### **i) Short term employee benefits**



## MITIL POLYMER INDIA LIMITED

### Notes forming part of financial statements for the year ended 31 March, 2019

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### ii) Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

#### iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and ESI to Government administered fund which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### iv) Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC").

#### v) Other long term employee benefits

#### Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences, and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit to such extent is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that



## MITIL POLYMER INDIA LIMITED

### Notes forming part of financial statements for the year ended 31 March, 2019

increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

#### L) Income taxes

##### i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.



## **MITIL POLYMER INDIA LIMITED**

**Notes forming part of financial statements for the year ended 31 March, 2019**

### **M) Earnings per share**

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

### **N) Cash and cash equivalents**

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

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



**MITIL POLYMER PRIVATE LIMITED**

CIN No U51909DL2016PTC306953

Registered Office: B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Balance Sheet as at 31 March 2019

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

Particulars		Note	As at 31 March, 2019	As at 31 March, 2018	As at 1 April, 2017
<b>A</b>	<b>ASSETS</b>				
	(1) <b>Non-current assets</b>				
	(a) Property, plant and equipment	4A	2.41	1.72	-
	(b) Other intangible assets	4B	2.94	4.18	-
	(c) Financial assets				-
	(i) Other financial assets	5	48.00	45.00	-
	(d) Deferred tax assets (net)	6	1.49	2.26	1.92
	(e) Other non-current assets	7	0.25	0.25	0.25
	<b>Sub- total- Non Current Assets</b>		<b>55.09</b>	<b>53.41</b>	<b>2.17</b>
	(2) <b>Current assets</b>				
	(a) Inventories	8	2,903.87	1,829.13	19.24
	(b) Financial assets				
	(i) Trade receivables	9	5,116.58	4,649.13	0.43
	(ii) Cash and cash equivalents	10	82.33	187.66	0.48
	(iii) Bank balances other than Cash and cash equivalents	11	54.33	51.00	13.50
	(iv) Other financial assets	12	1.64	1.04	0.05
	(c) Other current assets	13	666.78	409.33	292.66
	<b>Sub- total- Current Assets</b>		<b>8,825.53</b>	<b>7,127.29</b>	<b>326.36</b>
	<b>Total Assets</b>		<b>8,880.62</b>	<b>7,180.70</b>	<b>328.53</b>
<b>B.</b>	<b>EQUITY AND LIABILITIES</b>				
	(1) <b>Equity</b>				
	(a) Equity share capital	14	335.00	335.00	335.00
	(b) Other equity	15	627.48	241.07	(13.33)
	<b>Sub-Total-Shareholder's funds</b>		<b>962.48</b>	<b>576.07</b>	<b>321.67</b>
	(2) <b>Liabilities</b>				
	(a) <b>Non-current liabilities</b>				
	(i) Provisions	16	22.17	18.98	-
	<b>Sub-Total- Non-current liabilities</b>		<b>22.17</b>	<b>18.98</b>	<b>-</b>
	(b) <b>Current liabilities</b>				
	(i) Financial liabilities				
	- Borrowings	17	2,140.67	1,280.00	-
	- Trade payables	18	5,670.28	5,281.39	6.28
	- Other financial liabilities	19	36.66	17.34	-
	(ii) Current tax liabilities (net)	20	2.13	0.48	-
	(iii) Other current liabilities	21	45.09	5.92	0.58
	(iv) Provisions	22	1.14	0.52	-
	<b>Sub-Total- Current liabilities</b>		<b>7,895.97</b>	<b>6,585.65</b>	<b>6.86</b>
	<b>Total Equity and Liabilities</b>		<b>8,880.62</b>	<b>7,180.70</b>	<b>328.53</b>

See accompanying notes to financial statements.

In terms of our report attached

For **R. N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
Registration no. 002023N

R.N. SARAF, F.C.A.  
Membership No. 12439



2659/2, Gurdwara Road,  
Karol Bagh, New Delhi - 110 005

Place : New Delhi  
Date : April 23, 2019

For and on behalf of the Board of Directors of  
**MITIL POLYMER PRIVATE LIMITED**

**RAJEEV GANDOTRA**  
Managing Director  
Din No. 08147597

**YUTAKA BABA**  
Director  
Din No. 07579837

**DEEPAK BATRA**  
Whole Time Director  
Din No. 06950401

**MITIL POLYMER PRIVATE LIMITED**

CIN No U51909DL2016PTC306953

Registered Office: B-64/I, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Statement of Profit and Loss for the year ended 31 Mar, 2019

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

	Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
A	<b>Income</b>			
	(i) Revenue From Operations	23	25,346.08	17,984.22
	(ii) Other income	24	15.68	1.21
	<b>Total income</b>		<b>25,361.76</b>	<b>17,985.43</b>
B	<b>Expenses</b>			
	(i) Purchase of stock in trade	25	25,090.92	19,017.23
	(ii) Changes in inventories of Stock-in-Trade	26	(1,074.74)	(1,829.13)
	(iii) Employee benefits expense	27	134.16	111.82
	(iv) Finance costs	28	176.89	26.44
	(v) Depreciation and amortization expense	29	2.17	0.82
	(vi) Other expenses	30	496.56	282.34
	<b>Total expenses</b>		<b>24,825.96</b>	<b>17,609.52</b>
C	<b>Profit before tax (A-B)</b>		<b>535.80</b>	<b>375.91</b>
	<b>Tax expense:</b>			
	(a) Current tax		152.00	123.60
	(b) Earlier years		(0.18)	-
	(c) Deferred tax liability/(assets)		(0.06)	0.20
D	<b>Total Tax Expense</b>		<b>151.76</b>	<b>123.80</b>
E	<b>Profit for the year (C-D)</b>		<b>384.04</b>	<b>252.11</b>
F	<b>Other comprehensive income for the year</b>			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of post employment benefit obligations		3.20	1.74
	- Deferred Tax on remeasurments of post employment benefit obligations		(0.83)	0.54
	<b>Other comprehensive income for the year, net of income tax</b>		<b>2.37</b>	<b>2.28</b>
	<b>Total comprehensive income for the year (E+ F)</b>		<b>386.41</b>	<b>254.39</b>
	<b>Earnings per equity share</b>	31		
	Basic		11.46	7.54
	Diluted		11.46	7.54

See accompanying notes to financial statements.

In terms of our report attached

**For R. N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
 Registration no. 002023N

R.N. SARAF, F.C.A  
 Membership No. 12439



2659/2, Gurdwara Road,  
 Karol Bagh, New Delhi - 110 005

Place : New Delhi  
 Date : April 23, 2019

For and on behalf of the Board of Directors of  
**MITIL POLYMER PRIVATE LIMITED**

**RAJEEV GANDOTRA**  
 Managing Director  
 Din No. 08147597

**DEEPAK BATRA**  
 Whole Time Director  
 Din No. 06950401

**YUTAKA BABA**  
 Director  
 Din No. 07579837

**MITIL POLYMER PRIVATE LIMITED**

CIN No U51909DL2016PTC306953

Registered Office: B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Cash Flow Statement for the year ended 31 March 2019

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

Particulars		For the year ended 31 March, 2019	For the year ended 31 March, 2018
		₹	₹
<b>A</b>	<b>Cash flow from operating activities</b>		
	Net Profit before tax	535.80	375.91
	<u>Adjustments for:</u>		
	Actuarial Gain considered under OCI	3.20	1.74
	Depreciation and amortisation	2.17	0.82
	Finance costs	147.13	16.43
	Interest income	(7.75)	(1.21)
	Operating profit before working capital changes	<b>680.55</b>	<b>393.69</b>
	<u>Changes in working capital:</u>		
	<u>Adjustments for (increase) / decrease in operating assets:</u>		
	Inventories	(1,074.74)	(1,809.89)
	Trade receivables	(467.45)	(4,648.71)
	Other financial assets	(3.61)	(45.98)
	Other current assets	(257.43)	(116.68)
	Bank Balance other than cash & cash equivalents	(3.33)	(37.50)
	Trade payables	388.89	5,275.11
	Other financial liabilities	19.32	17.34
	Other current liabilities	39.17	5.35
	Short-term provisions	0.61	0.53
	Long-term provisions	3.19	18.98
		(1,355.38)	(1,341.45)
	Cash Generated from operations	(674.83)	(947.76)
	Income taxes paid	(150.17)	(123.11)
	<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(825.00)</b>	<b>(1,070.86)</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Capital expenditure on fixed assets	(1.62)	(6.73)
	Interest received from bank	7.75	1.21
	<b>Net cash flow from / (used in) investing activities (B)</b>	<b>6.13</b>	<b>(5.52)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	(Decrease)/Increase in Borrowings ( net)	860.67	1,280.00
	Finance cost	(147.13)	(16.43)
	<b>Net cash flow from / (used in) financing activities (C)</b>	<b>713.54</b>	<b>1,263.57</b>
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(105.33)</b>	<b>187.19</b>
	Cash and cash equivalents at the beginning of the year	187.67	0.48
	<b>Cash and cash equivalents at the end of the year</b>	<b>82.33</b>	<b>187.67</b>
	Cash on hand		
	Balances with banks		
	On current accounts	65.12	185.07
	On deposit accounts	15.00	-
	Cash on hand	2.21	2.60
		<b>82.33</b>	<b>187.67</b>

See accompanying notes to financial statements.

The accompanying notes form an integral part of the financial statements

The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 , as specified under the section 133 of the Companies Act, 2013.

In terms of our report attached

**For R. N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
Registration no. 002023N

R. N. SARAF, F.C.A  
Membership No. 12439

2659/2, Gurdwara Road,  
Karol Bagh, New Delhi - 110 005

Place : New Delhi  
Date : April 23, 2019



For and on behalf of the Board of Directors of  
**MITIL POLYMER PRIVATE LIMITED**

**RAJEEV GANDOTRA**  
Managing Director  
Din No. 08147597

**DEEPAK BATRA**  
Whole Time Director  
Din No. 06950401

**YUTAKA BABA**  
Director  
Din No. 07579837



**MITIL POLYMER PRIVATE LIMITED**

CIN No U51909DL2016PTC306953

Registered Office: B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Statement of change in Equity

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

**A) Equity share capital**

Particulars	Note	Amount
As at 1 April 2017	14	335.00
Changes in equity share capital during 2017-18		
As at the 31 March 2018	14	335.00
Changes in equity share capital during 2018-19		
As at 31 March 2019	14	335.00

**(B) Other Equity**

Particulars	Retained earnings (Total)
Balance as at 1 April 2017	(13.32)
Profit for the year	252.11
Other comprehensive income ,net of taxes	2.28
Balance as at 31 March 2018	241.07
Profit for the year	384.04
Other comprehensive income , net of taxes	2.37
Balance as at 31 March 2019	627.48

See accompanying notes to financial statements.

In terms of our report attached

**For R. N. SARAF & CO.  
CHARTERED ACCOUNTANTS**

Registration no. 002023N

  
R.N. SARAF, F.C.A  
Membership No. 124392659/2, Gurdwara Road,  
Karol Bagh, New Delhi - 110 005Place : New Delhi  
Date : April 23, 2019**For and on behalf of the Board of Directors of  
MITIL POLYMER PRIVATE LIMITED**  
RAJEEV GANDOTRA  
Managing Director  
Din No. 08147597  
DEEPAK BATRA  
Whole Time Director  
Din No. 06950401  
YUTAKA BABA  
Director  
Din No. 07579837

**MITIL POLYMER PRIVATE LIMITED**

CIN No U51909DL2016PTC306953

Registered Office: B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Notes to financial statements

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

**4 Property, plant and equipment****A. Tangible Assets**

Particulars	Furniture and Fixtures	Office Equipments	Computer Hardware	Total (A)
<b>Gross Carrying amount</b>				
<b>Deemed cost as at 1 April 2017</b>				
Additions	0.17	0.45	1.39	2.01
Disposals				
<b>Balance as at 31 March 2018</b>	<b>0.17</b>	<b>0.45</b>	<b>1.39</b>	<b>2.01</b>
Additions	-	0.22	1.40	1.62
Disposals				
<b>Balance as at 31 March 2019</b>	<b>0.17</b>	<b>0.67</b>	<b>2.79</b>	<b>3.63</b>
<b>Accumulated depreciation</b>				
<b>Balance at 1 April 2017</b>				
For the year	0.00	0.03	0.26	0.29
Disposals				
<b>Balance as at 31 March 2018</b>	<b>0.00</b>	<b>0.03</b>	<b>0.27</b>	<b>0.29</b>
For the year	0.02	0.06	0.85	0.93
Disposals				
<b>Balance as at 31 March 2019</b>	<b>0.02</b>	<b>0.09</b>	<b>1.12</b>	<b>1.22</b>
<b>Carrying amounts (net)</b>				
<b>At 1 April 2017</b>				
<b>At 31 March 2018</b>	<b>0.17</b>	<b>0.42</b>	<b>1.12</b>	<b>1.72</b>
<b>At 31 March 2019</b>	<b>0.15</b>	<b>0.58</b>	<b>1.67</b>	<b>2.41</b>

Carrying amount of assets (included in above) pledged as securities for borrowings

At 31 March 2019	0.15	0.58	1.67	2.41
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( All amounts in Indian ₹ Lakhs , unless otherwise stated)

**4B. Other Intangible assets**

	Other intangible assets	
	Computer Software	Total (B)
<b>Gross Carrying amount</b>		
Deemed cost at 1 April 2017	-	-
Additions	4.71	4.71
Disposals	-	-
<b>Balance as at 31 March 2018</b>	<b>4.71</b>	<b>4.71</b>
Additions	-	-
Disposals	-	-
<b>Balance at 31 March 2019</b>	<b>4.71</b>	<b>4.71</b>
<b>Accumulated Amortisation</b>		
Balance at 1 April 2017	-	-
For the year	0.53	0.53
Disposals	-	-
<b>Balance as at 31 March 2018</b>	<b>0.53</b>	<b>0.53</b>
For the year	1.24	1.24
Disposals	-	-
<b>Balance at 31 March 2019</b>	<b>1.77</b>	<b>1.77</b>
<b>Carrying amount (net)</b>		
As at 1 April 2017	-	-
Balance at 31 March 2018	4.18	4.18
<b>Balance at 31 March 2019</b>	<b>2.94</b>	<b>2.94</b>

Carrying amount of assets (included in above) pledged as securities for borrowings

At 31 March 2019

2.94



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( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

5	Particulars	As at 31 March ,2019	As at 31 March ,2018	As at 1 April ,2017
	<b>Other financial assets</b>			
	<b>Non-current</b>			
	Balance with Banks			
	- Deposits due to mature after 12 months from the reporting date	48.00	45.00	-
	<b>Total</b>	<b>48.00</b>	<b>45.00</b>	<b>-</b>

Deposit with bank include

-Margin money against Letter of Credit

48.00

45.00

6	Particulars	As at 31 March ,2019	As at 31 March ,2018	As at 1 April ,2017
	<b>Deferred tax assets ( net )</b>			
	Deferred tax Assets /(liability)			
	- Difference between books and written down value of fixed assets as per Income Tax Act, 1961	(0.29)	(0.22)	-
	- Provision for Employees benefit	1.78	0.80	-
	- Loss as per income tax act	-	-	1.92
	- Preliminary Expenses	-	1.68	-
	<b>Deferred Tax Assets (net)</b>	<b>1.49</b>	<b>2.26</b>	<b>1.92</b>

**Movement in deferred tax assets**

	Property, plant & equipments and intangible assets	Provision for employee benefits	Loss as per income tax act	Preliminary Expenses
<b>At April 01, 2017</b>	0.00	0.00	1.92	0.00
<b>(Charged)/credited:</b>				
to profit or loss	(0.22)	0.80	0.00	1.68
to other comprehensive income				
<b>At March 31, 2018</b>	(0.22)	0.80	0.00	1.68
<b>(Charged)/credited:</b>				
to profit or loss	(0.07)	0.15		
to other comprehensive income		0.83		
to retained earnings				
<b>At March 31, 2019</b>	(0.29)	1.78	0.00	0.00

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

2. In view of the Company's past financial performance and future profit projections, the Company expects that it shall generate sufficient future taxable income to fully recover the deferred tax assets.



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( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

Particulars	As at March ,2019	As at March ,2018	As at 1April ,2017
<b>7 Other Non current assets</b>			
Security deposit			
-Sales Tax authorities	0.25	0.25	0.25
<b>Total</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>

Particulars	As at March ,2019	As at March ,2018	As at 1April ,2017
<b>8 Inventories</b>			
(As taken valued and certified by the Management )			
Stock-in-trade	2,903.87	1,829.13	-
Goods in Transit	-	-	19.24
<b>Total</b>	<b>2,903.87</b>	<b>1,829.13</b>	<b>19.24</b>

Particulars	As at March ,2019	As at March ,2018	As at 1April ,2017
<b>9 Trade receivables *</b>			
(Unsecured, considered good unless otherwise stated)	5,116.58	4,649.13	0.43
<b>Total</b>	<b>5,116.58</b>	<b>4,649.13</b>	<b>0.43</b>

\*The companies exposure to currency and Credit risks related to the above financial liabilities is disclosed in Note 36

Particulars	As at March ,2019	As at March ,2018	As at 1April ,2017
<b>10 Cash and cash equivalents</b>			
- Balances with banks			
On current accounts	65.12	185.06	0.48
Deposit with bank original maturity for less than 3 months	15.00	-	-
- Cash on hand/Imprest	2.21	2.60	-
<b>Total</b>	<b>82.33</b>	<b>187.66</b>	<b>0.48</b>

Deposit with bank include  
-Margin money against Letter of Credit

15

Particulars	As at March ,2019	As at March ,2018	As at 1April ,2017
<b>11 Bank Balances other than Cash &amp; Cash equivalents</b>			
Deposit with bank original maturity for more than 3 months but less than 12 month*	54.33	51.00	13.50
<b>Total</b>	<b>54.33</b>	<b>51.00</b>	<b>13.50</b>

Deposit with bank include  
-Margin money against Letter of Credit  
- Pledged as Security with Sales Tax Authorities

53.33 50.00

1.00 1.00 1.00



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( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

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Particulars	As at 31 March ,2019	As at 31 March ,2018	As at 1April ,2017
<b>Other financial assets</b>			
Interest accrued on fixed deposits with Bank	1.64	1.04	0.05
<b>Total</b>	<b>1.64</b>	<b>1.04</b>	<b>0.05</b>

13

Particulars	As at 31 March ,2019	As at 31 March ,2018	As at 1April ,2017
<b>Other Current Assets</b>			
<b>(Unsecured, considered good unless otherwise stated)</b>			
Advances to suppliers	0.82	0.42	-
Advances to MI Torica India Pvt Ltd - Holding company	-	-	291.64
Prepaid expenses	1.56	1.58	-
Silver Coins*	0.01	-	-
Vat Recoverable	0.06	0.06	1.02
AED Recoverable/receivable	-	1.90	-
GST receivable	632.44	373.49	-
GST on Export Recoverable	31.89	31.88	-
<b>Total</b>	<b>666.78</b>	<b>409.33</b>	<b>292.66</b>

\* Silver coins in numbers

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( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

14	Particulars	As at 31st March, 2019		As at 31st March, 2018		As at 1 April, 2017	
		Number	Amount	Number	Amount	Number	Amount
(a)	<b>Equity share capital</b>						
	Authorised						
	Equity Shares of ₹ 10/- each.(previous Year ₹ 10/-each)	73.50	735.00	73.50	735.00	73.50	735.00
(b)	<b>issued, subscribed and fully paid up</b>	Number	Amount	Number	Amount	Number	Amount
	Equity Shares of ₹ 10/- each.(previous Year Rs 10/-each)	33.50	335.00	33.50	335.00	33.50	335.00
		33.50	335.00	33.50	335.00	33.50	335.00

(c) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting year is set out below:

Particulars	Number	Amount	Number	Amount	Number	Amount
Equity Shares						
Opening Balance	33.50	335.00	33.50	335.00	-	-
Add: Issued during the year	-	-	-	-	33.50	335.00
Closing Balance	33.50	335.00	33.50	335.00	33.50	335.00

(d) (i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each shareholder is entitled to one vote per share held.

(e) Details of Shareholders holding more than 5% of equity shares is set out below

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018		As at 1 April, 2017	
	Number of shares held	Percentage of holding	Number of shares held	Percentage of holding	Number of shares held	Percentage of holding
Arpit Singh	1.67	5.00	1.67	5.00	1.67	5.00
MI Torica India Pvt Ltd	31.83	95.00	31.83	95.00	31.83	95.00

(f) Equity shares held by holding company

Name of shareholder	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
MI Torica India Pvt Ltd	31.83	31.83	31.83

15	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Other Equity</b>			
	Retained Earnings	241.07	(13.33)	-
	Profit for the year	384.04	252.11	(13.33)
	Remeasurements of post employment benefit obligations, net of tax	2.37	2.29	-
	<b>Total</b>	<b>627.48</b>	<b>241.07</b>	<b>(13.33)</b>

16	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Long-term provisions</b>			
	Provision for employee benefits			
	Gratuity [Refer note 33(i)]	15.71	16.37	-
	Compensated absences [Refer 33 (ii)]	6.46	2.61	-
	<b>Total</b>	<b>22.17</b>	<b>18.98</b>	<b>-</b>

17	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Current Borrowings (Secured)</b>			
	Short term Loan *			
	From The Bank of Tokyo -Mitsubishi UFJ,Ltd	1,941.00	1,280.00	-
	Working Capital Loan **			
	From the bank of ICICI Bank	199.67	-	-
	<b>Total</b>	<b>2,140.67</b>	<b>1,280.00</b>	<b>-</b>

\* Secured by Corporate Guarantee of Tokai Rika Create Corporation, Japan.

\*\* Secured by hypothecation of Stock, Trade Receivable and exclusive charge on the entire movable and immovable fixed assets both present and future of the company.

It is further guaranted by Minda Investment Ltd ,India

18	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Trade payables*</b>	5,670.28	5,281.39	6.28
	<b>Total</b>	<b>5,670.28</b>	<b>5,281.39</b>	<b>6.28</b>

\* includes due to the director of the company Mr. Deepak batra

0.03

0.09



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19	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Other financial liabilities</b>			
	Interest accrued and not due on			
	- Loan from Bank	1.66	1.24	-
	Expense Payable	35.00	16.10	-
	<b>Total</b>	<b>36.66</b>	<b>17.34</b>	<b>-</b>

20	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
	Current tax liabilities (net)	2.13	0.48	-
	<b>Total</b>	<b>2.13</b>	<b>0.48</b>	<b>-</b>

	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
<b>Movement of Current Tax Liabilities(net)</b>			
Opening balance	0.48	-	-
Add: Tax paid/Tds	150.35	123.11	-
Less: Current Tax provision	152.00	123.59	-
<b>Total</b>	<b>2.13</b>	<b>0.48</b>	<b>-</b>

21	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Other current liabilities</b>			
	Advance from Customers	0.64	-	-
	Statutory dues			
	- Labour Welfare fund Payable	0.03	0.01	-
	- Tax Deducted at Source	5.26	4.45	0.52
	- Service Tax	-	-	(1.00)
	- Provident Fund	1.01	0.81	-
	- GST	38.15	0.65	-
	<b>Total</b>	<b>45.09</b>	<b>5.92</b>	<b>0.58</b>

22	Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
	<b>Short-term provisions</b>			
	Provision for employee benefits			
	Gratuity [Refer note 33 (i)]	0.51	0.34	-
	Compensated absences [Refer 33 (ii)]	0.63	0.18	-
	<b>Total</b>	<b>1.14</b>	<b>0.52</b>	<b>-</b>





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( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

23	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Revenue from operations</b>		
	Sale of products	25,346.08	17,984.22
	<b>Total</b>	<b>25,346.08</b>	<b>17,984.22</b>

24	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Other income</b>		
	Interest income		
	-On bank deposit	7.75	1.21
	Export benefit	7.68	-
	Miscellaneous Income	0.25	-
	<b>Total</b>	<b>15.68</b>	<b>1.21</b>

25	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Purchase of stock-in-Trade</b>		
		25,090.92	19,017.23
	<b>Total</b>	<b>25,090.92</b>	<b>19,017.23</b>

26	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Changes in inventories of stock in trade</b>		
	Inventories at the end of the year:		
	Stock-in- trade	2,903.87	1,829.13
	Less: Inventories at the beginning of the year:		
	Stock-in- trade	1,829.13	-
	<b>Net (increase) / decrease</b>	<b>(1,074.74)</b>	<b>(1,829.13)</b>

27	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Employee benefits expense</b>		
	Salaries wages and bonus	115.72	98.33
	Gratuity	2.70	2.87
	Contribution to Provident and other funds	5.85	4.91
	Compensated Absences	4.81	1.48
	Staff welfare expenses	5.08	4.23
	<b>Total</b>	<b>134.16</b>	<b>111.82</b>



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28	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Finance costs</b>		
	Interest to Bank :-		
	-On Unsecured loan	17.70	16.42
	-On Working capital loan	129.43	-
	Fund Raising charges	-	3.15
	L C charges	18.95	5.40
	Bank charges	10.81	1.47
		<b>176.89</b>	<b>26.44</b>

29	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Depreciation and amortisation expense</b>		
	Depreciation on tangible fixed assets	0.93	0.29
	Amortisation on intangible fixed assets	1.24	0.53
	<b>Total</b>	<b>2.17</b>	<b>0.82</b>

30	Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
	<b>Other expenses</b>		
	Power and Fuel	1.93	1.50
	Rent.	99.21	85.72
	Printing and stationery	1.75	1.18
	Communication Expense	2.03	1.35
	Travelling and Conveyence	11.13	9.05
	Director's sitting fees	0.75	0.25
	Auditor Remuneration		
	Audit fees	5.00	4.00
	Oher fees	0.45	-
	Legal and Professional charges	6.20	7.84
	SAP License fees	10.80	9.43
	Management Fees	126.34	75.95
	Repairs		
	-Building	6.06	1.76
	-Other	2.27	0.97
	Insurance	2.56	0.83
	General expenses	8.14	3.86
	Foreign Exchange Loss (Net)	77.49	16.39
	Sales Promotion expenses	0.22	0.41
	Forwarding expenses	128.23	61.85
	Contribution towards Corporate Social Responsibility	6.00	-
	<b>Total</b>	<b>496.56</b>	<b>282.34</b>



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Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
<b>31 Earnings per share</b>		
Net profit after tax as per Statement of Profit and loss	384.04	252.11
Net profit attributable to equity shares	384.04	252.11
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	33.50	33.50
for Diluted EPS	33.50	33.50
Basic earnings per share in rupees		
(Face value ₹10 per share) (In rupees)	11.46	7.54
Diluted earnings per share in rupees		
(Face value ₹10 per share) (In rupees)	11.46	7.54
Calculation of weighted average number of shares for basic/diluted earnings per share		
For basic earnings per share		
Opening and closing balance of Equity Shares	33.50	33.50
Add, for diluted earnings per share	33.50	33.50
For diluted earnings per share	33.50	33.50



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**32 Assets pledged as security**

The carrying amount of assets pledged as security for current and non current borrowings are as follows:

Particulars	Note	As at 31 March, 2019	As at 31 March, 2018	As at 01 April, 2017
<b>Current Assets</b>				
Tangible assets	4A	2.41	-	-
Intangible assets	4B	2.94	-	-
Inventory	8	2,903.87	-	-
Trade receivables	9	5,116.58	-	-
<b>Total Assets pledged as security</b>		<b>8,025.81</b>	<b>-</b>	<b>-</b>

**33(i) Disclosure pursuant to Ind AS 19 on "Employee Benefits"****Defined benefit plans**

Gratuity is payable to all eligible employees of the Company on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

**Inherent Risk**

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

**Actuarial Valuation Method**

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past service cost.

**The Benefits Valued**

Type of Plan	Defined Benefit
Employer's Contribution	100%
Employee's Contribution	Nil
Salary for calculation of Gratuity	Last drawn salary
Normal Retirement Age	58 Years
Vesting period	5 Years
Benefit on normal retirement	Same as per the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time).
Benefit on early retirement / termination / resignation / withdrawal	Same as normal retirement benefit based on the service upto the date of exit.
Benefit on death in service	Same as normal retirement benefit and no vesting period condition applies.
Limit	Rs. 20 lacs
Gratuity formula	15/26 * Last drawn salary * Number of completed

**(i) The amounts recognized in the Balance Sheet are as follows:**

Particulars	As at 31 March, 2019	As at 31 March, 2018
<b>Present value of obligation as at the end of the year</b>	<b>16.21</b>	<b>16.71</b>
Fair value of plan assets as at the end of the year	-	-
unfunded status	-	-
<b>Net asset/(liability) recognized in balance sheet</b>	<b>(16.21)</b>	<b>(16.71)</b>
<b>Present value of obligation as at the end of year</b>	<b>16.21</b>	<b>16.71</b>
- Long term	15.70	16.37
- Short term	0.50	0.34



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**(ii) Changes in present value of obligation:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Present value of obligation as at the beginning of the year	16.71	-
Acquisition adjustment	-	15.59
Interest cost	1.32	1.24
Current service cost	1.37	1.63
Curtailment cost/(credit)	-	-
Past Service Cost	-	-
Benefits paid	-	-
Actuarial (gain)/loss on obligation	(3.20)	(1.74)

**(iii) Changes in the fair value of plan assets:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Fair value of plan assets at the beginning of the year	-	-
Acquisition adjustment	-	-
Investment Income	-	-
Expected return on plan assets	-	-
Actuarial gain/loss for the year	-	-
Employer contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

**(iv) Expenses recognized in the Statement of Profit and Loss:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Current service cost	1.37	1.63
Past Service Cost	-	-
Interest cost	1.32	1.24
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	-	-
Adjustment for Past Plan assets	-	-
Expenses recognized in the Consolidated Statement of Profit and Loss	2.70	2.86

**(v) Re-measurements recognised in other Comprehensive Income (OCI):**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Changes in Financial Assumption	-	0.13
Changes in Demographic Assumption	-	-
Experience Adjustments	(1.74)	(3.34)
Actual return on plan assets less interest on plan assets	-	-
Amount recognized in other Comprehensive Income (OCI)	(1.74)	(3.20)



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**(vi) Maturity profile of defined benefit obligation:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Within next 12 Months		
Between 1 and 5 years	0.50	-
Between 5 and 10 years	6.80	-
10 years and above	1.98	-
	36.25	-

**(vii) Principal actuarial assumptions at the balance sheet date are as follows:****a) Economic assumptions:**

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1st April, 2017
Discount rate	7.85%	7.93%	-
Future salary increase	7.75%	7.75%	-

**b) Demographic assumptions:**

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1st April, 2017
i) Retirement Age (Years)	58	58	-
ii) Mortality Table			-
iii) Ages			
Up to 30 years	3.00%	3.00%	-
From 31 to 44 years	2.00%	2.00%	-

**(viii) Sensitivity analysis for significant assumptions:\***

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
1% increase in discount rate	14.65	14.84
1% decrease in discount rate	18.05	17.89
1% increase in salary escalation rate	17.16	17.88
1% decrease in salary escalation rate	15.40	14.83
50% increase in Attrition rate	16.54	-
50% decrease in Attrition rate	15.86	-
10% increase in Mortality rate	16.23	-
10% decrease in Mortality rate	16.19	-

**(ix) Enterprise best estimate of contribution during the next year is**

Particulars	Amount (31 March, 2019)	Amount (31 March, 2018)
Gratuity	-	-



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**(iii) The amounts recognized in the Balance Sheet are as follows:**

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1st April, 2017
Present value of obligation as at the end of the year	7.10	2.79	-
Fair value of plan assets as at the end of the year	-	-	-
unfunded status	-	-	-
Net asset/(liability) recognized in balance sheet	(7.10)	(2.79)	-

**(iv) Expenses recognized in the Statement of Profit and Loss:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Current service cost	3.03	0.47
Interest cost	0.22	0.13
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	1.56	0.88
Expenses recognized in the Consolidated Statement of Profit and Loss	4.81	1.48

**(v) Maturity profile of defined benefit obligation:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Within next 12 Months	0.63	-
Between 1 and 5 years	2.96	-
Between 5 and 10 years	2.65	-
10 years and above	9.68	-

**(vi) Principal actuarial assumptions at the balance sheet date are as follows:****a) Economic assumptions:**

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1st April, 2017
Discount rate	7.85%	7.93	-
Future salary increase	7.75%	7.75	-

**b) Demographic assumptions:**

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1st April, 2017
i) Retirement Age (Years)	58	58	-
ii) Mortality Table			
iii) Ages			
Up to 30 years	3.00%	3.00%	-
From 31 to 44 years	2.00%	2.00%	-
Above 44 years	1.00%	1.00%	-

**(vii) Sensitivity analysis for significant assumptions:\***

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
1% increase in discount rate	6.55	2.42
1% decrease in discount rate	7.72	3.20
1% increase in salary escalation rate	7.72	3.19
1% decrease in salary escalation rate	6.55	2.41
50% increase in Attrition rate	6.97	-
50% decrease in Attrition rate	7.23	-
10% increase in Mortality rate	7.09	-
10% decrease in Mortality rate	7.10	-

**(viii) Enterprise best estimate of contribution during the next year is**

Particulars	Amount (31 March 2019)	Amount (31 March 2018)
Leave Encashment	-	-



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**33(ii) Other Long Term Employee Benefit - Earned Leave Plan****Actuarial Valuation Method**

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past service cost.

**The Benefits Valued**

Type of Plan	Other Long term Employee Benefit
Employer's Contribution	100%
Employee's Contribution	Nil
Applicable Monthly Salary for Leave Encashment	Last drawn salary
Applicable Monthly Salary for Leave Availment	Last drawn gross salary
Yearly Leave Accrual	26 days
Maximum Leave Accumulation	78 days for Employees who joined before 01 April 2008
Encashment during employment	Yes
Future Leave Availments	Yes
Future Leave Availments basis	LIFO basis *
Normal Retirement Age	58 years
Vesting Period	Nil
Benefit on Normal Retirement	No. of Accumulated Leaves * Applicable monthly salary for leave encashment / Months to be treated as
Benefit on early retirement / termination / resignation / withdrawal	Same as normal retirement benefit.
Benefit on death in service	Same as normal retirement benefit.
Months to be treated as	26 days

**(i) Changes in present value of obligation:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Present value of obligation as at the beginning of the year	2.79	-
Acquisition adjustment	-	1.67
Interest cost	0.22	0.13
Current service cost	3.03	0.47
Curtailment cost/(credit)	-	-
Benefits paid	(0.50)	(0.37)
Actuarial (gain)/loss on obligation	1.56	0.88
<b>Present value of obligation as at the end of year</b>	<b>7.10</b>	<b>2.79</b>
- Long term	6.46	2.61
- Short term	0.63	0.18

**(ii) Changes in the fair value of plan assets:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Fair value of plan assets at the beginning of the year	-	-
Acquisition adjustment	-	-
Investment Income	-	-
Expected return on plan assets	-	-
Actuarial gain/loss for the year	-	-
Employer contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-





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**34 Income Taxes (Ind AS 12)****(i) Reconciliation of Effective Tax Rate:**

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018
Profit before tax	535.80	375.91
Statutory Income tax rate	27.820%	33.063%
Income tax expense @ Statutory Income tax rate	149.06	124.29
Tax effect of permanent adjustment made for computation	-	-
Non-deductible tax expense	(2.70)	0.49
Earlier year Tax adjustment	(0.18)	-
Tax expense recognised in statement of profit or loss	151.94	123.80

- 35 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made on information received and available with the company.

Particulars	For the Year ended 31 March, 2019	For the Year ended 31 March, 2018*
a.) The Amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	477.93	-
- Interest	2.15	-
b.) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
c.) The Amounts of the payments made to micro and small Suppliers beyond the appointed day during the year.	410.04	
d.) The amount of interest due and payable for the period of delay in making Payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	5.11	-
e.) The amount of interest accrued and remaining unpaid at the end of the year.	7.26	-
f.) The amount of further interest remaining due and payable even in the succeeding years ,untill such date when the interest due as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006.		

\* Based on the information available with the management during the year 2017-18, there is no overdue outstanding to Micro and Small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 in the year ended 31 March 2018. Further, the company has not received any claim for interest from any supplier under the said Act.



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**36 Financial Risk Management Objectives (Ind AS 107)**

The Company, is primarily involved in the trading of engineering plastic resin, expose its business and products to various market risks, credit risk and liquidity risk. The Company's decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks.

Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

**a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. The sensitivity analyses in the following sections relate to the position as at March 31 2019. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

**(i) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade receivables, trade payable and advance from customers and is therefore, exposed to foreign exchange risk.

The Company transacts substantial business in local currency only, however there is few export of Stock in Trade as well. The Company has only foreign currency trade receivables and company is less exposed to foreign exchange risk.

**Particulars of un-hedged foreign currency exposure**

Currency	As at 31 March, 2019			As at 31 March, 2018			As at 1 April, 2017		
	Foreign currency Amount	Exchange rate (in `)	Rupees in Lakh	Foreign currency Amount in Rs.	Exchange rate (in `)	Rupees in Lakh	Foreign currency Amount in Rs.	Exchange rate (in `)	Rupees in Lakh
Trade Receivables									
USD	0.10	71.37	7.30	1.27	64.00	81.51	-	-	-
JPY	385.05	0.64	244.98	298.70	0.58	173.25			
Trade Payables									
USD	13.33	71.37	951.81	16.00	64.00	1,023.98			
JPY	626.23	0.64	398.44	465.69	0.58	270.10			



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**Foreign currency risk sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the company profit before tax is due to changes in the fair value of monetary assets and liabilities.

Exposure gain/(loss) Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Change +1%	Change -1%	Change +1%	Change -1%
<b>Trade Receivables</b>				
USD	7.36	7.22	82.32	80.69
JPY	248.89	243.96	174.97	171.51
<b>Trade Payables</b>				
USD	961.32	942.29	1,034.21	1,013.73
JPY	404.79	396.78	272.79	267.39

**b) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at 31 March, 2019	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	2,140.67	-	-	-	-	2,140.67
Trade payable	-	5,670.28	-	-	-	5,670.28
Other financial liabilities	-	1.66	-	-	-	1.66
<b>As at 31 March, 2018</b>						
Interest bearing borrowings	1,280.00	-	-	-	-	1,280.00
Trade payable	-	5,281.39	-	-	-	5,281.39
Other financial liabilities	-	1.24	-	-	-	1.24
<b>As at 1 April, 2017</b>						
Interest bearing borrowings	-	-	-	-	-	-
Trade payable	-	6.27	-	-	-	6.27
Other financial liabilities	-	-	-	-	-	-

**c) Credit risk**

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

**(i) Trade receivables**

Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The table below summarises the ageing bracket of trade receivables.

Particulars	Gross carrying amount		
	31 March, 2019	31 March, 2018	1 April, 2017
Current (not past due)			
1-30 days past due	4,920.65	4,605.26	0.43
31-60 days past due	139.39	30.83	-
61-90 days past due	29.83	13.04	-
More than 90 days past due	26.71	-	-

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

Particulars	As at 31 March, 2019	As at 31 March, 2018
At the beginning of the year	-	-
Provision during the year	-	-
Bad debts written off	-	-
Reversal of provision	-	-
<b>At the end of the year</b>	-	-



## 37 Related Party Disclosures

## 1 Details of Related Party

## a) Holding company

MI Torica India Private Limited

## b) Parent company

Minda Industries Limited

## c) Fellow Subsidiary

Rinder Pvt. Ltd.

Minda Storage Batteries Private Limited

PT Minda Asean Automotive

Minda Kyoraku Limited

Mindarika Private Limited

## d) Joint Venture

Denso Ten Minda India Pvt. Ltd.

Tokai Rika Create Corporation

## e) Associate

Auto Component

Minda Investments Limited

## f) Key management personnel

Mr. Rajeev Gandotra ( Managing Director)

Mr. Deepak Batra (Whole Time Director)

Mr. Naveesh Garg (Director)

Mr. Yutaka Baba (Director)

Mr. Hiroyuki Makino (Director)

Ms. Deepali Chandhoke (Independent

Director)

Mr. Har Krishan Lal (Independent Director)

## h) Related party transactions :-

## Holding Company

Nature of transactions/Related party	MI Torica India Pvt Limited		
	2018-19	2017-18	2016-17
Issue of Equity shares	-	-	318.25
Purchase	379.14	10,329.07	20.25
Sale of goods	115.21	420.93	-
Advance against purchase	-	-	291.64
Trade payables	-	1,590.01	-

## Parent Company

Nature of transactions/Related party	Minda Industries Limited		
	2018-19	2017-18	2016-17
Purchase of Goods	440.45	-	-
Sale of goods	8,206.24	-	-
Service rendered	133.86	-	-
Trade Receivables	2,182.29	-	-



**Fellow Subsidiary**

Nature of transactions/Related party	Kinder Private Limited			Minda Storage Batteries Private Limited			PT Minda Asean Automotive			Minda Kyoraku Limited			Mindarika Private Limited		
Financial Year	2018-19	2017-18	2016-17	2018-19	2017-18	2016-17	2018-19	2017-18	2016-17	2018-19	2017-18	2016-17	2018-19	2017-18	2016-17
Purchase of Goods	321.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of goods	10,154.14	-	-	26.31	-	-	17.10	-	-	588.02	-	-	1,028.60	-	-
Reimbursement of expenses paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables	1,640.53	-	-	-	-	-	7.30	-	-	155.61	-	-	264.07	-	-
Trade payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Joint Venture**

Nature of transactions/Related party	Denso Ten Minda India Pvt. Ltd.			Tokai Rika Create Corporation		
Financial Year	2018-19	2017-18	2016-17	2018-19	2017-18	2016-17
Purchase of Goods	-	-	-	1,088.44	-	-
Sale of goods	45.37	-	-	919.91	-	-
Trade Receivables	11.61	-	-	246.17	-	-
Trade payables	-	-	-	411.31	-	-

**Associates**

Nature of transactions/Related party	Minda Investments Limited			Auto Component		
Financial Year	2018-19	2017-18	2016-17	2018-19	2017-18	2016-17
Sale of goods	-	-	-	-	-	-
Service rendered	1.98	-	-	23.77	-	-
Rent	15.55	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-
Trade payables	0.16	-	-	0.64	-	-

**2 Managerial Remuneration****(A) Remuneration to Directors**

Particulars	Mr. Deepak Batra		
Financial Year	2018-19	2017-18	2016-17
Salary and other allowance	30.28	22.54	-
Contribution to Provident fund and other fund	1.69	1.55	-
Reimbursement of medical expenses	-	0.15	-

Excluding value of perquisites of telephone, car and reimbursement of expenses on conveyance, refreshment, membership fee and uniform.

Exclusive of provision for future liabilities in respect of gratuity and leave encashment which are based on actuarial valuation done on overall company basis.

**(B) Remuneration to Independent Directors**

Particulars	Ms. Deepali Chaudhoke		
Financial Year	2018-19	2017-18	2016-17
Sitting fees	0.75	0.25	-



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**38 Capital management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	31 March,2019	31 March,2018
Net Debt	-	-
EBITDA	685.11	393.16
Net Debt to EBITDA	-	-



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**39 Fair value measurements**

(i) Financial instruments by category

Particulars	As at 31st March, 2019			As at 31st March, 2018			As at 1st April, 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>									
Trade receivables (current / non current)	-	-	5,116.58	-	-	4,649.13	-	-	0.43
Cash and cash equivalents	-	-	82.33	-	-	187.67	-	-	0.48
Bank balances other than Cash and cash equivalents	-	-	54.33	-	-	51.00	-	-	3.50
Other financial assets (Current/non current)	-	-	49.64	-	-	46.03	-	-	0.05
<b>Total financial assets</b>	-	-	<b>5,302.89</b>	-	-	<b>4,933.83</b>	-	-	<b>14.45</b>
<b>Financial Liabilities</b>									
Borrowings (current / non current)	-	-	2,140.67	-	-	1,280.00	-	-	-
Trade payables	-	-	5,670.28	-	-	5,281.39	-	-	6.28
Other financial liabilities (current / non current)	-	-	36.66	-	-	17.34	-	-	-
<b>Total</b>	-	-	<b>7,847.62</b>	-	-	<b>6,578.73</b>	-	-	<b>6.28</b>

\* Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables and Interest accrued on borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Discount rate used in determining fair value**

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

**(i) Fair value hierarchy**

Particulars	As at 31 March, 2019		As at 31 March, 2018		As at 01 April, 2017	
	Financial Asset	Financial Liabilities- Share based payment Payable*	Financial Asset	Financial Liabilities- Share based payment Payable*	Financial Asset	Financial Liabilities- Share based payment Payable*
Level - 1	-	-	-	-	-	-
Level - 2	-	-	-	-	-	-
Level - 3	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

\* Refer note 38



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**40 First time adoption of Ind AS**

As stated in Note 2A, these financial statements for the year ended March 31, 2019, are the Company's first financial statements prepared in accordance with Ind AS. For the periods upto and included 31 March 2018, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly the Company has prepared these financial statements which comply with Ind AS applicable for year ended on March 31, 2019, together with the comparative period data for the year ended 31 March 2018 and Ind AS opening balance sheet as at 1 April 2017. Further, in presenting the comparative information, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2019 including the comparative information for the year ended 31 March 2018 and the opening consolidated Ind AS balance sheet on the date of transition i.e. 1 April 2017.

**A. Optional exemptions availed and mandatory exceptions**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

**i. 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 as recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**Estimates**

The estimates at 1 April, 2017 and at 31 March, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies, if any).





## MITIL POLYMER PRIVATE LIMITED

CIN No U51909DL2016PTC306953

Registered Office: B-64/I, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Notes to financial statements

(All amounts in Indian ₹ Lakhs ,unless otherwise stated)

## B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income. The following table represent the reconciliations from previous GAAP to Ind AS.

## (i) Reconciliation of equity

	Particulars	Footnotes	31 March, 2018			1 April, 2017		
			ReCompanyped Indian GAAP	Ind AS adjustments	Ind AS	ReCompanyped Indian GAAP	Ind AS adjustments	Ind AS
A	<b>ASSETS</b>							
	<b>Non-current assets</b>							
	(a) Property, plant and equipment	4	1.72	-	1.72	-	-	-
	(b) Capital work-in-progress	4	-	-	-	-	-	-
	(c) Intangible Asset Under Development	4	-	-	-	-	-	-
	(d) Other intangible assets	4	4.18	-	4.18	-	-	-
	(e) Financial assets		-	-	-	-	-	-
	(i) Other financial assets	5	-	(45.00)	45.00	-	-	-
	(f) Deferred tax assets (net)	6	2.26	-	2.26	1.92	-	1.92
	(h) Long term loans and advances		0.25	0.25	-	-	-	-
	(h) Other non-current assets	7	-	(0.25)	0.25	0.25	-	0.25
	<b>Sub-total-Non-Current Assets</b>		<b>8.41</b>	<b>(45.00)</b>	<b>53.41</b>	<b>2.17</b>	-	<b>2.17</b>
	<b>Current assets</b>							
	(a) Inventories	8	1,829.13	0.00	1,829.13	19.24	-	19.24
	(b) Financial assets		-	-	-	-	-	-
	(i) Trade receivables	9	4,649.13	-	4,649.13	0.43	-	0.43
	(ii) Cash and cash equivalents	10	283.66	96.00	187.66	13.98	13.50	0.48
	(iii) Bank balances other than Cash and cash equivalents	11	-	(51.00)	51.00	-	(13.50)	13.50
	(iv) Short term loans and Advances	12	375.55	375.55	-	292.67	292.67	-
	(v) Other current financial assets	13	-	(1.04)	1.04	-	(0.05)	0.05
	(c) Current tax assets (net)	14	-	-	-	-	-	-
	(d) Other current assets	15	34.82	(374.51)	409.33	0.05	(292.62)	292.66
	<b>Sub-total- Current Assets</b>		<b>7,172.28</b>	<b>45.00</b>	<b>7,127.29</b>	<b>326.36</b>	-	<b>326.35</b>
	<b>Total Assets</b>		<b>7,180.70</b>	-	<b>7,180.70</b>	<b>328.53</b>	-	<b>328.53</b>
B.	<b>EQUITY AND LIABILITIES</b>							
	<b>Equity</b>							
	(a) Equity share capital	16	335.00	-	335.00	335.00	-	335.00
	(b) Other equity	17	241.07	-	241.07	(13.33)	-	(13.33)
	<b>Sub-Total-Shareholder's funds</b>		<b>576.07</b>	-	<b>576.07</b>	<b>321.67</b>	-	<b>321.67</b>
	<b>Liabilities</b>							
	(a) <b>Non-current liabilities</b>							
	(i) Financial liabilities							
	- Borrowings	18	-	-	-	-	-	-
	- Other financial liabilities	19	-	-	-	-	-	-
	(ii) Other non current liabilities	20	-	-	-	-	-	-
	(iii) Provisions	21	18.98	-	18.98	-	-	-
	<b>Total non-current liabilities</b>		<b>18.98</b>	-	<b>18.98</b>	-	-	-
	(b) <b>Current liabilities</b>							
	(i) Financial liabilities							
	- Borrowings	22	1,280.00	-	1,280.00	-	-	-
	- Trade payables	23	5,281.39	-	5,281.39	6.28	-	6.28
	- Other financial liabilities	24	-	(17.34)	17.34	-	-	-
	(ii) Current tax liabilities (net)	25	-	(0.48)	0.48	-	-	-
	(iii) Other current liabilities	26	23.26	17.34	5.92	0.58	-	0.58
	(iv) Provisions		1.00	0.48	0.52	-	-	-
	<b>Sub-Total- Current liabilities</b>		<b>6,585.65</b>	<b>0.00</b>	<b>6,585.65</b>	<b>6.85</b>	-	<b>6.85</b>
	<b>Total Equity and Liabilities</b>		<b>7,180.70</b>	-	<b>7,180.70</b>	<b>328.53</b>	-	<b>328.53</b>



## MITIL POLYMER PRIVATE LIMITED

CIN No U51909DL2016PTC306953

Registered Office: B-64/I, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Notes to financial statements

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

**(iii) Reconciliation of Total Comprehensive Income for the year ended March 31, 2018**

	Particulars	Footnotes	ReCompanyed Indian GAAP	Ind AS adjustments	Ind AS
A	<b>Income</b>				
	(i) Revenue From Operations	27	17,987.78	3.56	17,984.22
	(ii) Other income	28	1.21	-	1.21
	<b>Total income</b>		<b>17,988.99</b>	<b>3.56</b>	<b>17,985.43</b>
B	<b>Expenses</b>				
	(i) Purchases of Stock- in-Trade	29	19,017.23	(0.00)	19,017.23
	(ii) Changes in inventories of Stock- in- trade	30	(1,829.13)	-	(1,829.13)
	(iii) Employee benefits expense	31	110.08	(1.74)	111.82
	(iv) Finance costs	32	26.44	0.00	26.44
	(v) Depreciation and amortisation expenses	33	0.82	-	0.82
	(vi) Other expenses	34	285.89	3.55	282.34
	<b>Total expenses</b>		<b>17,611.34</b>	<b>1.81</b>	<b>17,609.53</b>
C	<b>Profit before tax (A-B)</b>		377.65	1.74	375.91
	<b>Tax expense</b>				
	(i) Current tax		123.60	(0.00)	123.60
	(ii) Deferred tax expense		0.34	0.15	0.20
D	<b>Total Tax Expense</b>		<b>123.26</b>	<b>0.15</b>	<b>123.80</b>
E	<b>Net Profit for the year after tax (C-D)</b>		<b>254.39</b>	<b>1.60</b>	<b>252.11</b>
	<b>Other comprehensive income for the year</b>				
	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements of post employment benefit obligations		-	(1.74)	1.74
	- Deferred Tax on remeasurements of post employment benefit obligations		-	(0.54)	0.54
F	<b>Other comprehensive income for the year, net of income tax</b>			(2.28)	2.28
	<b>Total comprehensive income for the year (E+ F)</b>		<b>254.39</b>	<b>(0.39)</b>	<b>254.39</b>



**MITIL POLYMER PRIVATE LIMITED**

CIN No U51909DL2016PTC306953

Registered Office: B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI - 110052, INDIA

Balance Sheet as at 31 March 2019

( All amounts in Indian ₹ Lakhs ,unless otherwise stated)

**C. Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018:**

**(i) Financial Instruments**

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, currency swaps, principal only swaps and commodity fixed price swap contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively and Hedge accounting as permitted under Ind AS 109 and as per Company accounting policy is applied for the purpose of Accounting in the financial statements.

As per Ind AS 109, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**(ii) Loans/other Financial Assets/ other Current Assets:**

(i) As per Schedule III, Security Deposits are to be classified under Loans or Other Non-current/Current Assets respectively. Accordingly, Security Deposits which are financial in nature are classified under Financial Non-current/ Current Assets respectively.

(ii) Under IGAAP, Loans and Advances were shown together under Loans and Advances. However, as per Schedule III, Loans are classified under other Non-current/Current Assets.

**(iii) Financial liability**

Under Ind AS 32, the Redeemable Preference Shares are classified as Financial Liability with portion of the debt (i.e. the difference in the rate of interest prevailing for debt financing and the rate of bonds) classified as Equity. Difference of fully paid up value and the present value of only principal amount of such fully paid up value of 3% Cumulative preference shares is recognised as equity.

**(iv) Deferred Tax:**

(i) IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

**(v) Revenue from operations:**

(i) Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended March 31, 2017.

(ii) Under IGAAP, revenue was presented net of excise duty. However, as per Schedule III to the Companies Act, 2013, revenue from operations is to be shown inclusive of excise duty. Accordingly, excise duty has been included in revenue from operations and shown separately as an expense.

**(vi) Share Based Payments:**

Under IGAAP, the Company opted for the option to recognise the intrinsic value of the long-term incentive plan as an expense. Ind AS 102 requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period.



**(vii) Defined Benefit Liabilities:**

Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

**(viii) Other comprehensive income**

Under Previous GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, it has reconciled Previous GAAP profit to profit or loss as per Ind AS. Further, Previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

**(ix) Cash Flow Statement**

The transition from Previous GAAP to Ind AS do not have a material impact on the statement of cash flows.

41 Previous year figures have been reclassified / recompanied, wherever required, to confirm to current year classification.

**For R. N. SARAF & CO.**  
**CHARTERED ACCOUNTANTS**  
Registration no. 002023N


  
**R.N. SARAF, F.C.A**  
Membership No. 12439




2659/2, Gurdwara Road,  
Karol Bagh, New Delhi - 110 005

**Place : New Delhi**  
**Date : April 23, 2019**

For and on behalf of the Board of Directors of  
**MITIL POLYMER PRIVATE LIMITED**

  
**RAJEEV GANDOTRA**  
Managing Director  
Din No. 08147597

  
**DEEPAK BATRA**  
Whole Time Director  
Din No. 06950401

  
**YUTAKA BABA**  
Director  
Din No. 07579837