RSPL
EVOLUTION IS CONSTANT

CORPORATE INFORMATION

DIRECTORS	:	Shri Murli Dhar - Executive Chairman Shri Bimal Kumar - Managing Director Shri Rahul Gyanchandani - Jt. Managing Director Shri Manoj Kumar - Director Shri Rohit Gyanchandani - Director Shri Naresh Kumar Phoolwani – Director Dr. R. P. Singh - Director Dr. J. N. Gupta - Director Smt. Renuka Gulati - Director
COMPANY SECRETARY & CHIEF FINANCIAL OFFICER	:	Shri S. K. Bajpai
STATUTORY AUDITORS	:	M/s. S. R. Batliboi & Co. LLP Chartered Accountants
COST AUDITORS	:	M/s. J. D. & Associates Cost Accountants
BANKERS	:	1. State Bank of India 2. Standard Chartered Bank 3. HDFC Bank Ltd. 4. Yes Bank Ltd. 5. Citibank N.A.
REGISTERED OFFICE	:	119-121 (Part), Block P & T, Fazal Ganj, Kalpi Road, Kanpur-208 012 (U.P.)
CORPORATE OFFICE	:	3rd Floor, C-1, 2 & 3, PP Tower - A Netaji Subhash Place, Pitampura, Delhi 110 034, INDIA
DEBENTURE TRUSTEE	:	Axis Trustee Services Limited Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai - 400025

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WORKS

SOAP & DETERGENT DIVISION

i) ALWAR UNIT

Plot No. 10, Matsya Industrial Area, Alwar - 301 030 (Rajasthan)

ii) AURANGABAD UNIT

Plot No. B-9/1, MIDC Industrial Area, Valuj, Aurangabad - 431136 (Maharashtra)

iii) BIDAR UNIT

Plot No. 339, Kalhar Industrial Aea, Bidar (Karnataka)

iv) BHOGANIPUR UNIT

542, 544, Haidarpur, Bhoganipur, Kanpur (Dehat) - 209 111 (U.P.)

v) DHAR UNIT - I

Shed No. S-4/3&S-4, 4 & Plot No. 65 Sector-III, Pitampura, Distt. Dhar - 454 774 (M.P.)

vi) DHAR UNIT - III

Plot No. 123, Sector-III, Industrial Area, Pitampura, Distt. Dhar - 454 774 (M.P.)

vii) DHAR UNIT - IV

Plot No. 74 to 90, Sector-III, Industrial Area, Pitampura, Distt. Dhar - 454 774 (M.P.)

viii) GREATER NOIDA

Plot No. 4, ECOTECH-02, Greater Noida, Gautam Buddha Nagar (U.P.)

ix) HARIDWAR UNIT

Plot No. 3A, 6 & 7, Sector-3, Integrated Industrial Estate (IIE), Ranipur, Haridwar - 249 403 (Uttarakhand)

x) HOME & PERSONAL CARE UNIT

Plat No. 26 & 27, Sector III, IIE, SIDCUL, Haridwar

xi) JAMSHEDPUR UNIT

Village -Bhilai Pahari Ghatsila Road, Jamshedpur

xii) JHANSI UNIT

C-6-11, Bijauli Growth Center, Jhansi Industrial Area, Jhansi - 284 135 (U.P.)

xiii) KDC-Chaubepur Unit

472, 474, Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xiv) RD-Chaubepur Unit

452, Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xv) RSD-Chaubepur Unit

390, 391, 394, Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xvi) RANIA UNIT

Village Prasidhpur, Rania, Kanpur (Dehat) - 209 304 (U.P.)

xvii) RANIA PACKAGING UNIT

Plat No. 2061, 2069, 2070 & 2088, Vishayakpur, Rania, Kanpur (Dehat) - 209 304 (U.P.)

xviii) RAIPUR UNIT

Plat No. 31 to 37, Kanera Road, Gram - Accholi (Urla) Raipur (Chhattisgarh) - 492 001

xix) ROORKEE UNIT

Plot No. B-4, C-4, to C6, Village-Roorkee, Distt. Haridwar - 248 001 (Uttarakhand)

xx) SD-Chaubepur Unit 392,

Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xxi) SMSI-Chaubepur Unit 236,

Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xxii) SAGAR UNIT -I

Plot No. 11-24, Sector-B, MPAKVN Growth Centre, Sidhgawan, Sagar - 470 004 (M.P.)

xxiii) SAGAR UNIT -II

Plot No. 42 to 46 & 49 to 53 MPAKVN Growth Centre, Sidhgawan, Sagar - 470 004 (M.P.)

xxiv) SAHIBABAD UNIT

Plot No. B-4, Site-4, Sahibabad Industrial Area, Ghaziabad - 201 010 (U.P.)

xxv) UMRAN UNIT

Chak No. 252 and 268, Village Umran, Rania, Kanpur (Dehat) - 209 304 (U.P.)

WIND POWER DIVISION

xxvi) JAMNAGAR

Navagoan Kalavad, Jamnagar, Gujarat

xxvii) KARNATAKA

Vani Vilas Sagar, Village-Illadarkere, Chitradurga, Karnataka

xxiii) KUNDADAM

Coimbatore, Tamilnadu

xxix) RAJASTHAN

Akal, Village Baroda Gaon, Distt. Jaisalmer Rajasthan

xxix) MADHYA PRADESH

a) Village Nagari, Tehsil, Daloda
Distt. Mandsaur

b) Village Jelilyakhedi, Bhelakheda, Jagoti
Tehsil, Mahidpur, Distt., Ujjain

NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of RSPL Limited, will be held on Saturday, 30th day of September 2017 at 5:00 P.M. at the Registered Office of the Company at 119-121 (Part), Block P&T, Kalpi Road, Fazalganj, Kanpur-208012 (U.P.) to transact the following businesses:-

1. To receive, consider and adopt:
   a. the Audited Financial Statement of the Company for the Financial year ended 31st March, 2017 together with the Reports of Directors and Auditors thereon; and

1. b. the Audited Consolidated Financial Statement for the Financial year ended 31st March, 2017 together with the Report of the Auditors thereon.

2. To confirm the payment of Interim Dividend already paid during the year as Final Dividend for the Financial Year ended 31st March, 2017.
3. To appoint a Director in place of Shri Manoj Gyanchandani (DIN- 00049387) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Rohit Gyanchandani (DIN-00049486) who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, Gurgaon, as Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (FRN: 301003E/E300005), be and is hereby appointed as Statutory Auditors of the Company for a term of five years from conclusion of 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting, at such remuneration as may be fixed by the Board of Directors for each year, subject to ratification of such appointment by the Shareholders at every Annual General Meeting."

SPECIAL BUSINESS:

6. To ratify the remuneration of the Cost Auditors for the Financial year ending 31st March, 2018 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of M/s. JD & Associates, Cost Accountants (Firm Regn. No. 101443), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company in respect of Soap & Detergent Divisions of the Company for the Financial year ending 31st March, 2018 at ₹ 3,00,000/- (Rupees Three Lacs only) plus taxes at applicable rates and reimbursement of out of pocket expenses as may be actually and properly incurred in connection with the Cost Audit be and is hereby ratified."

7. To consider and approve change in the terms of re-appointment of Shri Rahul Gyanchandani (DIN: 00049468), Joint Managing Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "**RESOLVED** that in partial modification of the resolution passed by the Shareholders at the Twenty Eighth Annual General Meeting of the Company held on 30th September, 2016, and pursuant to the provisions of Section 152 of the Companies Act, 2013 read with relevant Rules thereto and subject to such approvals, sanctions and consents as may be required, the office of Shri Rahul Gyanchandani (DIN: 00049468), Joint Managing Director of the Company, be and is hereby made as liable to retire by rotation, however, the retirement by rotation and re-appointment shall not be deemed to be a break in service."

   "**RESOLVED FURTHER THAT** other terms of re-appointment including remuneration of Shri Rahul Gyanchandani (DIN: 00049468), Joint Managing Director, as approved by the Shareholders in the Twenty Eighth Annual General Meeting of the Company held on 30th September, 2016, shall remain unchanged."

"**RESOLVED FURTHER** that the Board of Directors and / or Nomination and Remuneration Committee of the Company be and is hereby authorized to do all such acts deeds and things as may be necessary to give effect to the aforesaid resolution in the best interest of the Company."

By Order of the Board
For **RSPL LIMITED**

Place: Kanpur
Date: 30th September, 2017

(S. K. BAJPAI)
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HER SELF AND PROXY NEED NOT BE A MEMBER OF COMPANY.**

   Proxy in order to be effective must be deposited at the Registered Office of the Company not less than Forty-eight hours before commencement of the meeting.
2. A Person can act as Proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A Member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses under Item Nos. 6 and 7 as set out above is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report at the Meeting.
5. The details of Directors seeking appointment under Item Nos. 3 and 4 of the accompanying notice are given in the Statement as hereunder:

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

Particulars	**Rohit Gyanchandani**	**Manoj Kumar Gyanchandani**
DIN	00049486	00049387
Date of Birth	10-04-1984	22-10-1972
Qualifications	MBA	Graduate
Experience	12 Years	21 Years
Date of Appointment on the Board	04/02/2005	11/03/2008
Expertise in specific functional area	International Business, Hygiene Care Business and Dish wash segment of the Company.	Marketing, Advertisement and Media functions of the Company.
Chairman / Director of other Companies	1. Nimmi Build Tech Private Limited 2. Gyanchandani Housing And Infrastructures Private Limited 3. Rohit Real Estate Private Limited 4. Manoj Developers And Infrastructures Private Limited 5. Rahul Realaters And Developers Private Limited 6. NIF Private Limited 7. Leayan Global Private Limited 8. Namaste India Microfinance Private Limited 9. RSPL Health Private Limited 10. RSPL Health BD Limited (Bangladesh)	1. Nimmi Build Tech Private Limited 2. NIF Private Limited 3. Leayan Global Private Limited 4. Namaste India Microfinance Private Limited 5. RSPL Health Private Limited

Particulars	Rohit Gyanchandani	Manoj Kumar Gyanchandani
Chairman / Member of Committee of the Board of other Companies of which he is a Director	**Corporate Social Responsibility Committee** Leayan Global Private Limited **(Member)**	**Corporate Social Responsibility Committee** 1. Leayan Global Private Limited **(Chairman)** 2. NIF Private Limited **(Chairman)**
Shareholding of Director in the Company	66,05,000 shares of ₹ 10/- each (15%)	66,05,000 shares of ₹ 10/- each (15%)
Relationship with other Director(s)	Bimal Gyanchandani (Father)	Murlidhar Gyanchandani **(Father)** Rahul Gyanchandani **(Brother)**
No. of Meetings of the Board attended during the year	09	09

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

The Board of Directors of the Company at its Meeting held on 30th September, 2017 appointed M/s. JD & Associates, Cost Accountants (Firm Regn. No. 101443) to conduct the audit of the Cost records of the Company's Soap & Detergent Divisions situated at the Registered Office of the Company for the Financial year ending 31st March, 2018 at a remuneration of ₹ 3,00,000/- plus taxes at applicable rates and reimbursement of out of pocket expenses incurred by them in connection with the cost audit. In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors requires ratification by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the Financial year ending 31st March, 2018 as set out in the resolution. The Board recommends the resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No. 6 of the Notice.

Item No. 7

Pursuant to Section 152(6) of the Companies Act, 2013, not less than two-third of the total number of Directors of a Public Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation. Further as per the explanation attached to the said sub-section, "total number of directors" shall not include Independent Directors, whether appointed under this Act or any other law for the time being in force, on the Board of the Company.

The Board of Directors of the Company presently consists of nine Directors out of which 3 (Three) are Independent and 6 (Six) are Executive Directors. Accordingly, for the purposes of above sub-section, the total number of directors on the Board of the Company shall be taken as six (Non-Independent Directors).These six Non-Independent Directors include three Managing Directors who are also not liable to retire by rotation. Hence only remaining three Non-Independent Directors are liable to retire by rotation instead of Four.

In view of the above, it is proposed to change the terms of appointment of Shri Rahul Gyanchandani (DIN: 00049468), Joint Managing Director so as to make his office liable to retire by rotation with the approval of members as set in the resolution placed at Item No. 7 of the Notice. The Board recommends the resolution for your approval.

Shri Rahul Gyanchandani (DIN: 00049468), Joint Managing Director, himself and Shri Murli Dhar Gyanchandani (DIN: 00049298), Executive Chairman and Shri Manoj Kumar Gyanchandani (DIN: 00049387), Whole Time Director of the Company being relatives of Shri Rahul Gyanchandani (DIN: 00049468), Joint Managing Director may be considered as concerned or interested in the resolution. No other Director or Key Managerial Personnel or their relatives is interested financially or otherwise in the resolutions.

By Order of the Board
For **RSPL LIMITED**

Place: Kanpur
Date: 30th September, 2017

(S. K. BAJPAI)
Company Secretary

ROUTE MAP


Bank of Baroda
Regional Office
बैंक ऑफ़ बड़ौदा
Mariyampur Hospital
मरियमपुर अस्पताल
गोल्डन पैलेस
OM NAGAR
ओम नगर
RSPL Limited
Kamla Club
कमला क्लब
Sant Nirankari Bhawan
संत निरंकारी भवन
FAZALGANJ
फ़ज़लगंज
Lord William Bentinck Ln

BOARD'S REPORT

To

The Members of

RSPL LIMITED

Your Directors have pleasure in presenting herewith the Twenty-Ninth Annual Report along with Audited Financial Statement of the Company for the year ended 31st March, 2017.

1. Financial Results:

The summarized financial position of the Company for the financial year ended 31st March, 2017, as compared to previous year is as under:

(₹ In Crores)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016
	STANDALONE		**CONSOLIDATED**	
Revenue from Operations (Net)	4484.51	4666.28	4564.61	4709.56
Other Income	90.89	75.97	89.36	73.97
Total Revenue	**4575.40**	**4742.25**	**4653.97**	**4783.53**
Profit Before Depreciation, Interest, Tax (PBDIT)	550.96	683.16	551.39	676.96
Less: Depreciation & Amortization Expenses	76.18	65.42	77.18	65.87
Less: Financial Cost	31.63	36.03	33.32	37.53
Profit before Tax (PBT)	**443.15**	**581.71**	**440.89**	**573.56**
Less Tax Expenses:				
Current Tax	134.39	4.90	(2.26)	190.00
Tax related to earlier periods	0.02	6.79	134.53	5.68
Deferred Tax	(3.35)	190.06	0.02	6.98
Profit for the year	306.12	384.90	304.03	376.50

2. Applicability of Ind AS:

Your Company and its Subsidiaries have adopted Ind AS with effect from 1st April, 2016 pursuant to Ministry of Corporate Affairs Notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has prepared Ind AS Financials for the year ended 31st March, 2017 along with comparable as on 31st March, 2016 and Opening Statement of Assets and Liabilities as on 1st April, 2015.

3. Review of Business Operations and Future Prospects:

During the Financial Year 2016-17 under review, the Company has recorded revenue from operations (net) of ₹ 4,484.51 Crores as against revenue from operations (net) of ₹ 4,666.28 Crores during the preceding Financial Year 2015-16. The Company achieved Net Profit of ₹ 443.15 Crores in the current year as against Net Profit of ₹ 581.71 Crores in the preceding year. The operations and profitability of the Company had been impacted by the demonetization.

Your directors are pleased to inform you that one unit of the Company in Vaishali Distt. Bihar for manufacturing of Soap and Detergent has become operational to effectively cater to the demand from Eastern India.

4. Dividend:

The Board of Directors of the Company have declared 3 (three) Interim Dividends of ₹ 2/-, ₹ 3/- and ₹ 6/- per share at the respective Meetings held on 6th September, 2016, 25th November, 2016 and 17th April, 2017 on 4,40,32,500 Equity Shares of the face value of ₹ 10/- each absorbing a total sum of ₹ 4843.58 Lacs. It is proposed to confirm the payment of Interim Dividends as final dividend at the ensuing Annual General Meeting of the Company. The Total Dividend outgo (inclusive of Dividend Distribution Tax) for the Financial year 2016-17 amounted to ₹ 2649.83 Lacs.

5. Transfer of Reserve

Your directors do not propose to transfer any amount to General Reserve for the year ended 31st March 2017.

6. Investor Education and Protection Fund:

There were no amounts which were required to be transferred to Investor Education and Protection Fund in the current year 2016-2017.

7. Issue of Non-convertible Debentures:

During the year under review, the Company has issued 9.20%, 2,000 Secured, Redeemable, Non-convertible Debentures (NCDs) of ₹ 10,00,000/- (Rupees Ten Lacs only) each aggregating to ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores only) on private placement basis and the allotment was made on 14th October, 2016. The privately placed NCDs were listed on National Stock Exchange of India Limited on 27th October, 2016. The Company was awarded the financial credit rating of A A/stable by ICRA and AA-/Positive on its NCDs by CRISIL.

8. Consolidated Financial Statement:

In accordance with the provisions Section 129(3) of the Companies Act, 2013, the Company is required to prepare Consolidated Financial Statements of its Associate(s) / Subsidiary(ies) to be laid before Annual General Meeting of the Company. Accordingly, the Consolidated Financial Statement incorporating the Accounts of Subsidiary Company(ies) along with the Auditors' Report thereon forms part of this Annual Report.

The Consolidated Net Profit of the Company amounted to ₹ 304.03 crores as compared to Net Profit of ₹ 376.50 crores in the previous year.

9. Subsidiary Company, Joint Ventures And Associate Companies:

The Company does not have any Joint Venture or Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013. However, RSPL Health Private Limited and RSPL Health BD Limited continued to be Wholly owned and Step down Subsidiaries of your Company during the financial year. There has been no material change in the nature of the business of the Subsidiaries during the year under review. The summary of performance of the Subsidiaries is provided below:

i) RSPL Health Private Limited

RSPL Health Private Limited is engaged in the business of consumer products, particularly home and fabric care products. It was incorporated in the year 2011. It became the wholly owned subsidiary of the Company in April, 2013. The Company has recorded downfall in turnover of ₹ 442.61 Lacs in the current year as compared to turnover of ₹ 639.72 Lacs in the previous year. Profit for the year also declined to ₹ 125.51 Lacs as compared to ₹ 169.51 Lacs in the previous year. The contribution in Turnover and Profit as per the Consolidated Financial Statements of the Company was 0.097% and 0.41% respectively.

ii) RSPL Health BD Limited

RSPL Health BD Limited incorporated in the year 2013 became a step down subsidiary of the Company in the same year. It is engaged in the business of manufacturing soaps and detergent in Bangladesh. The Company has recorded a growth rate of 83.41% in Turnover. The Company has recorded loss of ₹ 313.83 Lacs during the current year as against loss of ₹ 1,050.42 Lacs in the previous year. The contribution in turnover as per the Consolidated Financial Statements of the Company is 1.84%.

A Statement pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rules framed thereunder in the prescribed Form AOC-1 showing financial highlights of the Subsidiary Companies is enclosed herewith marked as **Annexure-'I'**.

10. Statutory Auditors:

M/s. S.R. Batliboi & Co. LLP., Chartered Accountants (Firm Registration No. 301003E/ E300005) were appointed as Statutory Auditors of the Company at an Extraordinary General Meeting held on 31st December, 2016 to fill casual vacancy caused by resignation of M/s. AKGVG & Associates, Chartered Accountants to hold office upto the conclusion of the next Annual General Meeting of the Company.

The Company has received a Certificate from the Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Board of Directors recommend the appointment of M/s S.R. Batliboi & Co. LLP., Chartered Accountants at the ensuing Annual

General Meeting for a period of five years commencing from the conclusion of Twenty Ninth Annual General Meeting of the Company till the conclusion of the Thirty Fourth Annual General Meeting subject to ratification of such appointment at every Annual General Meeting held thereafter.

11. Secretarial Audit:

The Board of Directors of the Company has appointed. M/s. S. K. Gupta & Co., Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31st March, 2017 is enclosed as '**Annexure – II-A**' and forms an integral part of this Report.

12. Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers Made By the Statutory Auditors and Secretarial Auditors in their Reports:

Although, the Statutory Auditors' observations in their Report read with Notes to Accounts are self-explanatory, the Management's specific explanation in respect of Auditors' comments on certain Notes to the Accounts is as under:-

Explanation on Remarks made by Statutory Auditors in their report

a. The Statutory Auditors have identified some weaknesses in the internal controls with respect to process of review and monitoring of the year end Financial Statement closure process. The Board has taken note of the same and is in the process of setting up duly documented and more stringent Internal Control System to prevent or detect any possibility of misstatement for more accurate presentation and disclosure of Financial Statements on timely basis.

b. The Company has received cash amounting ₹ 328.58 Lacs in the form of Specified Bank Notes from Employees during the period from 8th November, 2016 to 30th December, 2016 which are not permitted. The Board would like to clarify that these SBNs were returned by the Employees out of imperest given to them prior to 9th November 2016 for Company Expenses.

c. The Company has given advance to its suppliers in the normal course of business but did not receive goods from certain suppliers neither the advance could be recovered from them even after constant efforts and reminders. However the Company has already initiated legal action for the recovery of such advances.

Explanation on Remarks made by Secretarial Auditors in their report is attached as Annexure – II-B.

13. Number of Meetings of the Board:

The Board of Directors meets periodically to review the strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. The Board of Directors duly met 9 (Nine) times respectively on 18th April, 2016, 7th June, 2016, 28th July, 2016, 6th September, 2016, 26th September, 2016, 14th October, 2016, 25th November, 2016, 26th December, 2016 and 9th March, 2017 during the financial year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

14. Directors & Key Management Personnel (KMP):

- In accordance with the provisions of the Companies Act, 2013 Shri Manoj Gyanchandani (DIN: 00048387) and Shri Rohit Gyanchandani (DIN: 00049486), Directors of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.
- Shri Naresh Kumar Phoolwani (DIN: 07681794) was appointed as an Additional Director and designated as a Whole-time Director to hold office for a period of three years w.e.f 1st January, 2017.
- During the year under review, the following Managerial Personnel of the Company were re-appointed for a period of Three years w.e.f 1st October, 2016 at the Board Meeting held on 26th September, 2016 and their appointments were approved by the Shareholders at the Annual General Meeting held on 30th September, 2016:
  1. Shri Murli Dhar Gyanchandani, Executive Chairman.
  2. Shri Bimal Kumar Gyanchandani, Managing Director.
  3. Shri Rahul Gyanchandani, Joint Managing Director.
  4. Shri Manoj Kumar Gyanchandani, Whole-time Director.
  5. Shri Rohit Gyanchandani, Whole-time Director

15. Declaration of Independent Directors:

The Company had received the Declarations under Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

16. Extract of Annual Return:

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in prescribed Form MGT-9 is furnished in '**Annexure III**' to this Report.

17. Committees of the Board

In compliance with the provisions of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors of the Company has constituted the following Committees with the Composition as under:

a. Audit Committee:

Shri Rahul Gyanchandani	Jt. Managing Director	Member
Dr. J.N. Gupta	Independent Director	Member
Dr. R. P. Singh	Independent Director	Member

b. Nomination and Remuneration Committee:

Dr. R. P. Singh;	Independent Director	Member
Dr. J. N. Gupta and	Independent Director	Member
Mrs. Renuka Gulati	Independent Director	Member

c. Corporate Social Responsibility Committee:

Shri Murli Dhar Gyanchandani	Executive Chairman	Chairman
Shri Bimal Kumar Gyanchandani	Managing Director	Member
Smt Renuka Gulati	Independent Director	Member

18. Corporate Social Responsibility

The Company has formulated and adopted a Corporate Social Responsibility Committee indicating therein the CSR activities included in Schedule VII of the Companies Act, 2013. Health, Education and Environment Protection (HSE) are core areas for the Company's overall Corporate Social Responsibility Mission with emphasis on promoting health care, making a contribution for the betterment of lives of the under-privileged persons, senior citizens, orphans, differently abled persons and women and promoting education, supporting rural development, providing sanitation and drinking water.

The prescribed information pursuant to Section 135 (4) of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is given in the Statement enclosed herewith as **Annexure-IV** to this Report.

19. Vigil Mechanism:

In compliance with the provisions of sub- section (9) of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Power) Rules, 2014, the Company has established a 'Vigil Mechanism' under the aegis of 'Audit Committee' of the Company.

The Vigil Mechanism has been formulated in such a manner so as to provide adequate safeguards against victimization of persons who can also use such mechanism for reporting genuine concerns including any actual or potential violation of the Code, instances of unethical behaviour, actual or suspected fraud, howsoever insignificant or perceived as such. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

20. Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties (Nomination and Remuneration Policy):

The Board of Directors have framed a Policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are enclosed herewith as Annexure-V to this Report.

21. Particulars of Contracts and Arrangements with Related Parties:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on arm's length basis. The details of material contracts / arrangements / transactions at arm's length basis for the year ended 31st March, 2017 are given **Annexure –VI** which form part of this Report.

22. Particulars of Loans, Guarantees or Investments Made under Section 186 of the Companies Act, 2013:

The Particulars of Loans, Guarantees and Investments made by the Company forms part of the notes to the Financial Statements.

23. Annual Evaluation:

The Independent Directors in their separate meeting had reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company after taking into accounts the views of Executive Directors and Non-Executive Directors of the Company. Independent Directors have also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board and that the information supplied by the management to the Board was sufficient and relevant for the Board to perform their duties effectively.

24. Risk Management

Your Company has an elaborate Risk Management procedure. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to competitive intensity and cost volatility. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

25. Internal Control System and its adequacy:

The Company has an Internal Control System and processes in place in respect of its Financial Statements which provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements.

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherences to company's policies, the safeguarding of its assets, detection and prevention of frauds, error reporting mechanism, the accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures.

26. Particulars of Employees

As required under sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of Employees are set out in **Annexure – VII** and form part of this Report.

27. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

(A) Conservation of Energy-

(i) **The steps taken or impact on conservation of energy:** Measures taken for conservation of energy include improved maintenance of operating system and control on consumption of electricity.

(ii) **The steps taken by the company for utilising alternate sources of energy:** The Company uses energy from conventional sources.

(iii) **The capital investment on energy conservation equipments:** Various energy saving equipments and devises have been installed by the Company.

(B) Technology absorption-

(i) **The efforts made towards technology absorption:** The Company uses indigenous technology. Efforts have been made towards improving quality of the products by new research applications.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:** Company has been able to achieve Cost Reduction and improvement in quality of Producst.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-** : NIL

(iv) **The expenditure incurred on Research and Development: ₹ 40,89,763**

(C) Foreign exchange Earnings and Outgo-

(Amount in ₹ Lacs)

Particulars	2016-2017	2015-2016
Earning in Foreign Currency:		
Export at FOB	381.86	351.14
Foreign Exchange Outgo:		
i. Value of Imports on CIF basis		
ii. Expenditure in Foreign Currency	47387.46 1183.75	81090.39 706.48

28. Directors' Responsibility Statement:

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

I. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

II. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the Company for that period;

III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

IV. They have prepared the Annual Accounts on a going concern basis;

V. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

29. Deposits:

The Company has not accepted any deposits under Section 73 to 76 of the Companies Act 2013 during the year under review.

30. General:

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

a. No material changes and commitments affecting the financial position of the Company have occurred during the financial year to which this financial statements relate on the date of this report

b. Issue of equity shares with differential rights as to dividend, voting or otherwise.

c. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

e. Neither the Managing Director nor the Whole-time directors of the Company receive any remuneration or commission from any of its Subsidiary Company.

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

31. Acknowledgements:

Your Directors place on record their sincere thanks to Bankers, Business constituents, Consultants, and various Government Authorities for their continued support extended to the Company during the year under review. Your Directors place on record the dedicated services rendered by all the employees at all levels and also acknowledges the trust and confidence reposed by the Shareholders in the management of the Company.

For and on behalf of the Board of Directors

Murli Dhar Gyanchandani
Executive Chairman
DIN – 00049298

Place: Kanpur
Date: 30/09/2017

Annexure-I

FORM AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakhs)

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	RSPL Health Pvt. Ltd.	RSPL Health BD Ltd.
2.	Date since when subsidiary was acquired	01/04/2013	27/08/2013
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4.	Start Date of Reporting Period	1st April, 2016	1st April, 2016
5.	End Date of Reporting Period	31st March, 2017	31st March, 2017
6.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	Reporting Currency: Bangladesh Taka Exchange Rate: 1 Tk. = 0.8015 ₹
7.	Share Capital	3121	2964.32
8.	Reserves & Surplus	-1233.01	-2246.67
9.	Total Assets	4016.81	3821.58
10.	Total Liabilities	2128.82	3103.93
11.	Investments	3215.04	NIL
12.	Turnover	442.61	8391.64
13.	Profit before taxation	42.14	-251.12
14.	Provision for taxation (Deferred Tax)	-119.58	7.71
15.	Profit after taxation	125.51	-313.83
16.	Proposed Dividend	NIL	NIL
17.	% of shareholding	100%	100%

Part "B": Associates and Joint Ventures: N.A.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures		Name 1	Name 2	Name 3
1.	Latest audited Balance Sheet Date	N.A.	N.A.	N.A.
2.	Date on which Associate or Joint Venture was associated or acquired	N.A.	N.A.	N.A.
	Shares of Associate/Joint Ventures held by the company on the year end	N.A.	N.A.	N.A.
	No.	N.A.	N.A.	N.A.
	Amount of Investment in Associates/Joint Venture	N.A.	N.A.	N.A.
	Extend of Holding%	N.A.	N.A.	N.A.
3.	Description of how there is significant influence	N.A.	N.A.	N.A.
4.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.	N.A.	N.A.
6.	Profit/Loss for the year	N.A.	N.A.	N.A.
	i. Considered in Consolidation	N.A.	N.A.	N.A.
	ii. Not Considered in Consolidation	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Murli Dhar Gyanchandani
Executive Chairman
DIN – 00049298

Place: Kanpur
Date: 30/09/2017

ANNEXURE IIA

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
RSPL LIMITED
119-121 (Part), Block P&T,
Fazal Ganj,
Kanpur - 208012 (U.P.)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RSPL LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Financial year ended on 31st March, 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial year ended on 31st March, 2017, according to the provisions of:

(i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder ;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder to the extent of their applicability to Listed privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000/- each aggregating to ₹ 200 Crores issued and allotted during the Audit Period ;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of their applicability to Listed privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000/- each aggregating to ₹ 200 Crores issued and allotted during the Audit Period;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of their applicability to External Commercial Borrowings raised by the Company. The Company has not entered into any transaction involving Foreign Direct Investment and Overseas Direct Investment during the Audit Period.

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

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(not applicable to the Company)**;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(not applicable to the Company)**;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company)**;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company)**;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 in respect of Listed privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000/- each aggregating to ₹ 200 Crores issued and allotted on 14th October, 2016 during the Audit Period ;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the Audit period)**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company)**; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company)**.

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis and representation made by the Company and its officers, the Company has complied with the following laws applicable specifically to the Company :

(a) Drugs and Cosmetics Act, 1940 and the Rules made thereunder;

(b) The Legal Metrology Act, 2009;

(c) The Legal Metrology (Packaged Commodities) Rules, 2011

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with the National Stock Exchange of India Limited (NSE) in respect of privately placed 9.20% , 2,000 Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000/- each aggregating to ₹ 200 Crores listed on 27th October, 2016 during the Audit Period.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the observations as stated in the **Annexure - I** hereto.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings along with agenda in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.

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

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of Audit and review of periodical Compliance Reports taken on record by the Board of Directors of the Company, in our opinion existing systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines needs to be strengthened commensurate with the size and operations of the Company.

We further report that during the Audit Period there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.:-

(a) The Members at the 28th Annual General Meeting of the Company held on 30th September, 2016 by a Special Resolution:

   (i) accorded approval to the Board of Directors of the Company under Section 180(1)(a) of the Companies Act, 2013 to create charge by way of mortgage, hypothecation or in any other manner on the assets of the Company to secure the borrowings made by the Company.

   (ii) accorded approval for revision in borrowing limits under Section 180(1)(c) of the Companies Act, 2013 from ₹ 1,200 Crores to ₹ 5,000 Crores.

   (iii) accorded approval for issue of Non-Convertible Debentures up to an aggregate amount not exceeding ₹ 300 Crores on private placement basis.

(b) The Company has allotted 2,000, 9.20% Secured Redeemable Non-Convertible Debentures of ₹ 10,00,000/- each aggregating to ₹ 200 Crores on 14th October, 2016 to SBI Life Insurance Corporation Limited on private placement basis which were listed on National Stock Exchange of India Limited on 27th October, 2016.

For S.K. Gupta & Co.
Company Secretaries

(S.K. GUPTA)
Managing Partner
F.C.S -2589
CP-1920

Place: Kanpur
Date: 31.08.2017

Note: This Report to be read with our letter of even date which is marked as **Annexure-II** and forms an integral part of this Report.

**Attachments to Secretarial Audit Report will be available on request.

Annexure-III

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U15111UP1988PLC009771
ii.	Registration Date	22-06-1988
iii.	Name of the Company	RSPL LIMITED
iv.	Category/Sub-Category of the Company	PUBLIC LIMITED COMPANY / LIMITED BY SHARES
v.	Address of the Registered office and contact details	119-121, Block P & T Fazal Ganj, Kalpi Road, Kanpur Phone : 0512-2221201-05 E-mail id : info@gharidetergent.com
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Detergent Soap	20231	26.93%
2.	Detergent Powder	20233	68.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/Subsidiary/ Associate	%of shares held	Applicable Section
1.	RSPL Health Pvt. Ltd.	U15111UP1988PLC009771	Wholly owned Subsidiary	100%	2(87)(ii)
2.	RSPL Health BD Ltd	--	Step down Subsidiary	100%	2(87)(ii)

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

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	NIL	44032500	44032500	100%	0	44032500	44032500	100%	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(A)(1):-	**NIL**	**44032500**	**44032500**	**100%**	**0**	**44032500**	**44032500**	100%	**0**
2) Foreign									
g) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
j) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
k) Any Other….	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(A)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(B)(1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
TotalPublic Shareholding (B)=(B)(1)+ (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
GrandTotal (A+B+C)	**NIL**	**44032500**	**44032500**	**100%**	**NIL**	**44032500**	**44032500**	**NIL**	**0**

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	% change in share holdi ng durin g the year
1.	Shri Murli Dhar Gyanchandani	11610000	26.37	NIL	11610000	26.37	NIL	NIL
2.	Shri Bimal Kumar Gyanchandani	11008000	25	NIL	11008000	25	NIL	NIL
3.	Shri Manoj Kumar Gyanchandani	6605000	15	NIL	6605000	15	NIL	NIL
4.	Shri Rahul Gyanchandani	6605000	15	NIL	6605000	15	NIL	NIL
5.	Shri Rohit Gyanchandani	6605000	15	NIL	6605000	15	NIL	NIL
6.	Smt. Kamla Devi	1318500	2.99	NIL	1318500	2.99	NIL	NIL
7.	Smt. Rajani Gyanchandani	281000	0.64	NIL	281000	0.64	NIL	NIL
	Total	**44032500**	**100**	**NIL**	**44032500**	**100**	**NIL**	**NIL**

iii. Change in Promoters' Shareholding (please specify, if there is no change:

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	44032500	100	44032500	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	**44032500**	**100**	**44032500**	**100**

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the company**
A	**Directors**				
	1. Shri Murli Dhar Gyanchandani, Executive Chairman				
	At the beginning of the year	11610000	26.37	11610000	26.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	11610000	26.37	11610000	26.37

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
2.	**Shri Bimal Kumar Gyanchandani, Managing Director**				
	At the beginning of the year	11008000	25.00	11008000	25.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	11008000	25.00	11008000	25.00
3.	**Shri Rahul Gyanchandani, Joint Managing Director**				
	At the beginning of the year	6605000	15.00	6605000	15.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	**6605000**	**15.00**	**6605000**	**15.00**
4.	**Shri Manoj Kumar Gyanchandani, Whole-time Director**				
	At the beginning of the year	6605000	15.00	6605000	15.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	6605000	15.00	6605000	15.00
5.	**Shri Rohit Gyanchandani, Whole-time Director**				
	At the beginning of the year	6605000	15.00	6605000	15.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	6605000	15.00	6605000	15.00
6.	**Shri Naresh Kumar Phoolwani, Whole-time Director (Appointed w.e.f 01.01.2017)**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the company**
7.	**Dr. Rajinder Pal Singh, Director**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
8.	**Dr. Jagannath Nath Gupta, Director**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
9.	**Mrs. Renuka Gulati, Director**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
B.	**Key Managerial Personnel**				
1.	**Shri. Sushil Kumar Bajpai, Company Secretary and CFO**				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

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

(Amount ₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	₹ 50,940.48	₹ 675.41	NIL	₹ 51,615.89
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	₹ 165.37	NIL	NIL	₹ 165.37
Total (i+ii+iii)	₹ 51,105.85	₹ 675.41	NIL	₹ 51,781.26
Change in Indebtedness during the financial year				
- Addition	₹ 32,469.85	₹ 27,862.69	NIL	₹ 60,332.54
- Reduction	NIL	NIL	NIL	NIL
Net Change	₹ 32,469.85	₹ 27,862.69	NIL	₹ 60,332.54
Indebtedness at the end of the financial year				
i) Principal Amount	₹ 82,340.80	₹ 28,400.89	NIL	₹ 110,741.69
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	₹ 1,234.90	₹ 137.21	NIL	₹ 1,372.11
Total (i+ii+iii)	₹ 83,575.70	₹ 28,538.10	NIL	₹ 112,113.80

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Amount ₹ in Lacs)

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

Sr. No.	Particulars of Remuneration	Shri Murli Dhar Gyanchandani (Managing Director)	Shri Bimal Kumar Gyanchandani (Managing Director)	Shri Rahul Gyanchandani (Joint Managing Director)	Shri Manoj Kumar Gyanchandani (Whole-time Director)	Shri Rohit Gyanchandani (Whole-time Director)	Shri Tara Chand Mansinghani* (Whole-time Director	Sh. Naresh Kumar Phoolwani** (Whole-time Director)	Total Amount
1.	Gross salary								
	(a) Salary as per provisions contained in section17 (1) of the Income-tax Act, 1961	498	498	390	390	390	9.49	0.85	2176.34
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4.	Commission	446.03	446.03	446.03	446.03	446.03	NIL	NIL	2230.15
	- as % of profit	-1%	-1%	-1%	-1%	-1%			-5%
	- others, % of Turnover	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6.	**Total (A)**	**944.03**	**944.03**	**836.03**	**836.03**	**836.03**	**9.49**	**0.85**	**4406.49**
	Ceiling as per the Act	The remuneration is within the ceiling limit laid down under Section 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder.							

*Ceased to act as Whole-time Director of the Company with effect from 1st January, 2017. Remuneration paid for a period of 9 months @ ₹ 1,05,444/- per month.

**Appointed as Whole-time Director of the Company with effect from 1st January, 2017. Remuneration paid for a period of 3 months @ ₹ 28,333/- per month.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Dr. R. P. Singh	Dr. J. N. Gupta	Smt. Renuka Gulati	
	Independent Directors				
	·Fee for attending board committee meetings	1.80	2.40	1.60	5.80
	·Commission	NIL	NIL	NIL	NIL
	·Others, please specify	NIL	NIL	NIL	NIL
	Total(1)	1.80	2.40	1.60	5.80
	Other Non-Executive Directors				
	·Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	·Commission	NIL	NIL	NIL	NIL
	·Others, pleasespecify	NIL	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	1.80	2.40	1.60	5.80
	Total Managerial Remuneration	₹ 4412.29 Lacs			
	Overall Ceiling as per the Act	The remuneration is within the ceiling limit laid down under Section 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder.			

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Shri Sushil Kumar Bajpai Company Secretary & CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section	0	53.35	53.35
	17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s	0	0	0
	17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission- as % of profit	0	0	0
	-others, specify…			
5.	Others, please specify	0	0	0
6.	Total	0	53.35	53.35

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made. If any (give details)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. Other Officers In Default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors
Murli Dhar Gyanchandani
Executive Chairman
DIN – 00049298

Date: 30/09/2017
Place: Kanpur

Annexure-IV

ANNUAL REPORT ON CSR ACTIVITIES

Pursuant to clause (a) of sub-section (4) of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

1. A brief outline of the Company's CSR Policy: The CSR Policy of the Company guides the actions of the Company in its efforts to contribute to promoting health care, making a contribution for the betterment of lives of the under-privileged persons, senior citizens, orphans, differently abled persons and women and promoting education, supporting rural development, providing sanitation and drinking water.

The Company's CSR Policy has been uploaded in the website of the Company under the web-link http://www.gharidetergent.com/corp_social_resp.html. The Projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

2. The Composition of the CSR Committee:

Corporate Social Responsibility (CSR) Committee comprises of following three Directors as Members of the Committee:

(1)	Shri Murli Dhar Gyanchandani	Managing Director	Chairman
(2)	Shri Bimal Kumar Gyanchandani	Managing Director	Member
(3)	Smt. Renuka Gulati	Independent Director	Member

3. Average Net Profit of the Company for last three financial years: ₹ 417.42 crores

4. Prescribed CSR Expenditure: ₹ 834.85 lacs

5. Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year on CSR Activities: ₹ 834.85 lacs

b. Amount unspent, if any: ₹ 355.54 lacs

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	**CSR Project or activity Identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs sub heads: (1) Direct expenditure on projects or programs (2) Overheads:**	**Cumulative Expenditure up to the reporting period**	**Amount spent-Direct or through implementing agency**
1	Contribution For Betterment Of Society	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Various parts of India	NA	1,92,06,730	1,92,06,730	Directly as well as through implementing agency
2	Empowerment Of Women		Various parts of India	NA	4,10,800	4,10,800	Directly as well as through implementing agency
3	Eradicating Hunger, Poverty & Malnutrition	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Various parts of India	NA	8,74,718	8,74,718	through implementing agency
4	Promoting Preventive Health Care		Various parts of India	NA	10,000	10,000	through implementing agency
5	Making Available Safe Drinking Water		Various parts of India	NA	74,650	74,650	Directly
6	Promoting Preventive Health Care And Sanitation (Eye camp and Sulabh Sanitation)		Various parts of India	NA	2,01,93,535	2,01,93,535	through implementing agency

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	**CSR Project or activity Identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs sub heads: (1) Direct expenditure on projects or programs (2) Overheads:**	**Cumulative Expenditure up to the reporting period**	**Amount spent-Direct or through implementing agency**
7	Promotion Of Education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Various parts of India	NA	17,94,905	17,94,905	through implementing agency
8	Assistance For Education		Various Parts of India	NA	13,67,418	13,67,418	through implementing agency
9	Rights Of Children		Various parts of India	NA	5,00,000	5,00,000	through implementing agency
10	Service To The Old Age		Various parts of India	NA	4,33,145	4,33,145	through implementing agency
11	Assistance For The Disabled		Various parts of India	NA	4,14,320	4,14,320	Directly as well as through implementing agency
12	Promotion Of Sports	Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.	Various parts of India	NA	21,30,000	21,30,000	through implementing agency
13	Animal Welfare	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Various parts of India	NA	5,20,600	5,20,600	through implementing agency as well as Directly
				TOTAL	4,79,30,821	4,79,30,821	

6. Reasons for not spending the amount:

During the year the Company was evaluating desired projects and social investment options which took time. It is of paramount importance that any funds provided by the Company be utilized prudently to ensure maximum social benefits and development. In future, the Company will endeavor to spend on CSR Activities in accordance with the prescribed limits. The Company has taken various initiatives on CSR front and the Board is confident that in coming years, the Company will be able to spend prescribed amount on CSR.

7. A Responsibility Statement of CSR Committee:

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
RSPL LIMITED

	MURLI DHAR GYANCHANDANI	**MURLI DHAR GYANCHANDANI**
	Chairman of the Committee	Executive Chairman
Date: 30/09/2017	DIN – 00049298	DIN – 00049298
Place: Kanpur		

ANNEXURE-V

NOMINATION AND REMUNERATION POLICY

1. Introduction:

In terms of Section 178 of the Companies Act, 2013, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of RSPL Ltd has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal of the Directors, Key Managerial Personnel and Senior Management. It shall specify the manner for effective evaluation of performance of Board, its committees and individual directors from time to time. The evaluation would be carried out by the Nomination and Remuneration Committee (NRC), however it could also be carried out either by the Board, or by an independent external agency and NRC shall review its implementation and compliance there of.

2. Definitions:

In this policy unless the context otherwise requires the Act means The Companies Act, 2013 and rules made there under, as amended from time to time.

a) Company means RSPL Ltd.

b) Board means Board of Directors of RSPL Ltd.

c) Independent Director means a Director referred to in Section 149 (6) of The Companies Act, 2013

d) Committee means Nomination and Remuneration Committee (NRC) of the Company as constituted by the Board from time to time.

e) Key Managerial Personnel or KMP means Managing Director, Joint Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other persons who may be deemed to be KMP under the Companies Act, 2013 and as amended from time to time

f) Senior Management Personnel means personnel of the Company comprising of all members of management one level below the executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure.

g) SL means Salary Level.

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.

3. Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with RSPL policies and applicable statutory requirements. At present, the Nomination and Remuneration Committee of the Company comprises of the following members:

a) Shri Rajinder Pal Singh, Chairman, and Non Executive Independent Director

b) Shri Jagan Nath Gupta, Non Executive and Independent Director

c) Ms. Renuka Gulati, Non Executive and Independent Director

The Committee was formed on 20th March, 2015 and re-constituted on 15th March, 2016

Membership of the Committee shall be disclosed in the Annual Report of the Company.

The policy shall be disclosed in the Board Report of the Company or alternatively it can also be placed on the website of the company and the salient features of the policy and changes therein from time to time along with the web address of the policy shall be disclosed in the Board's Report.

The terms of the Committee shall be continued unless terminated by the Board of Directors.

4. Key objectives of the Committee:

a) To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management;

b) To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;

c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management;

d) To develop a succession plan for the Board and to regularly review the plan;

e) To determine remuneration based on Company's financial position, trends and practices on remuneration prevailing in the industry;

f) To retain, motivate and promote talent and to ensure long term sustainability of Senior Management talent including KMPs and create competitive advantage;

g) It shall also specify the manner for effective evaluation of performance of Board, its committees and individual directors from time to time. The evaluation would be carried out by the Nomination and Remuneration Committee (NRC), however it could also be carried out either by the Board, or by an independent external agency and NRC shall review its implementation and compliance there of

h) it may consider any other matters as may be requested by the Board.

5. Meetings:

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate. The Company Secretary of the Company shall act as the Secretary of the Committee.

The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions, as deemed necessary for proper and expeditious execution. The Chairman of the Committee or in his absence any other member of the Committee authorized by him on this behalf shall attend general meetings of the Company.

6. Committee members interest:

a) A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. Effective Date:

This policy is effective from 20.03.2015 and is amended upto date keeping in view of any amendment in Companies Act 2013 or rules, notifications, circulars etc framed there under and notified from time to time.

8. Appointment of Director, Key Managerial Personnel & Senior Management - Criteria & Qualification:

The appointment of Director, Key Managerial Personnel and Senior Management will be based on the outcome of strategic planning. The recruitment process for selection to KMP and Senior Management commences after the approval of manpower requisitions by the appointing authority depending upon the salary level. Relevant approval of concerned is also obtained as part of the process, as deemed fit depending upon the level of hiring.

The Committee shall consider the standards of qualification, expertise and experience of the candidates for appointment as Director, Key Managerial Personnel and Senior Management and accordingly recommend to the Board his/her appointment.

9. Remuneration to Directors, Key Managerial Personnel, Senior Management Personnel and other employees:

a) The Key Managerial Personnel, Senior Management Personnel and other employees shall be paid remuneration as per the HR/Compensation and Benefit policy of the Company as revised or updated from time to time.

b) The Human Resource department will inform the Committee, the requisite details on the proposed increments based on performance of the Directors/KMP/ Senior Management.

c) The compensation structure will also be based on the market salary survey. The survey for total remuneration would be commissioned with external consultants. The Basket of Companies will be finalized by HR department after considering all the relevant aspects.

d) The composition of remuneration so determined by the committee shall be reasonable and sufficient to attract, retain and motivate the Key Managerial Personnel and Senior Management of the quality required to meet high standards of performance. The relationship of remuneration to performance shall be clear and meet appropriate performance benchmarks.

The Committee may review remuneration of identified senior management personnel from time to time.

e) Remuneration to Non-Executive & Independent Directors:

Sitting Fees

The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of the Act.

10. Policy on Board diversity:

The Board of Directors shall comprise of Directors having expertise in different areas / fields like Corporate Strategy, Planning, Sales, Advertising and Marketing. etc. or as may be considered appropriate. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to age and educational background, professional experience, business management, skills and knowledge. The Board shall have atleast one Board member who has accounting or related financial management expertise and atleast one woman director.

The Board members have a strong hold on all the business verticals of the Group who collectively contribute towards the growth of the business of the Company and the group.

11. Changes amongst Directors, Key Managerial Personnel & Senior Management:

The Committee may recommend to the Board, changes in Board, Key Managerial Personnel or Senior Management.

Personnel subject to the provisions of the Act and applicable Company's policies i.e., Code of Business Conduct and Principles of legal compliance framed and adopted by the Company from time to time.

12. Amendments to the Nomination and Remuneration Policy:

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

ANNEXURE-VI

FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	NIL
(c)	Duration of the contracts / arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	date(s) of approval by the Board	NIL
(g)	Amount paid as advances, if any:	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount In (INR) Lacs	Amount paid as advances, if any
RSPL Health BD Limited **(Step Down Subsidiary)**	Sale of Goods	16/08/2014 to 31/03/2017	Raw Material, Semi Finished & Finished Goods	16/08/2014	381.86	-
Leayan Global Private Limited **(Common Directorship)**		01/04/2014 to 31/03/2017	Chemicals & other Materials	4/04/2014	1.14	-
NIF Private Limited **(Common Directorship)**		01/04/2014 to 31/03/2017	Packing Material, Finished Goods, Scrap & Other Materials	4/04/2014	11.86	-
RSPL Health Private Limited **(Wholly owned Subsidiary)**	Sale of Fixed Assets	N.A.	Sale of Trade Mark	18.04.2016	5.80	-
Nimmi BuildTech Private Limited **(Common Directorship)**		16/08/2014 to 31/03/2017	Sale of Machinery	16/08/2014	9.76	-
NIF Private Limited **(Common Directorship)**		01/04/2014 to 31/03/2017	Sale of Machinery	4/04/2014	4.26	-
NIF Private Limited **(Common Directorship)**	Sale of Services	2016-2017	BMC Services	N/A	49.25	-
		01/04/2014 to 31/03/2017	Engineering Services	4/04/2014	0.012	-
Leayan Global Private Limited **(Common Directorship)**		01/04/2016 to 31/03/2019	Logistic Services	18/04/2016	12	-
		2016-2017	BMC Services	N/A	22.24	-
NIF Private Limited **(Common Directorship)**	Purchase of Goods	01/04/2014 to 31/03/2017	Milk, dairy Products & Other Materials	4/04/2014	17.29	-
Leayan Global Private Limited **(Common Directorship)**	Purchase of Fixed Assets	N.A.	Purchase of Iron Rods, Building Materials	18.04.2016 Omnibus approval taken	9.82	-

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount In (INR) Lacs	Amount paid as advances, if any
RSPL Health Pvt. Ltd. **(Wholly owned Subsidiary)**	Rent Received	31/04/2014 till date	leasing of property	04.04.2014	0.36	-
Leayan Global Private Limited **(Common Directorship)**		01/01/2017 to 31/12/2019, 01/02/2015 to 31/01/2018, 30/08/2012 to 31/03/2032	leasing of property	26/12/2016 Ongoing	17.16	-
NIF Pvt. Ltd. **(Common Directorship)**		31/12/2016 to 31/12/2019, 18/03/2010 to 31/03/2030	leasing of property	Ongoing Ongoing	7.30	-
Laxmi Devi Dayal Das Charitable Trust **(Common Directorship)**		01.10.2012- 30.09.2022	Leasing of property	25.10.2012	0.60	-
Mr. Murli Dhar **(Key Managerial Personnel)**	Rent Paid	26/10/2013 till date, 1/04/2008 till date	Lease of Immovable Property	Ongoing Agreement	9	-
Mr. Bimal Kumar **(Key Managerial Personnel)**		1/04/2008 till date, 4/09/2015 to 30/09/2020, 26/10/2013 till date	Lease of Immovable Property	04/09/2015	22.20	-
Mr. Manoj Kumar **(Key Managerial Personnel)**		4/09/2015 to 30/09/2020, 01/04/2016 to 31/03/2017	Lease of Immovable Property	4/09/2015, 18/04/2016	20.90	-
Mr. Rohit Gyanchandani **(key Managerial Personnel)**		01/04/2016 to 31/03/2017, 01/04/2008 till date	Lease of Immovable Property	18/04/2016	12.20	-
Mr. Rahul Gyanchandani **(Key Managerial Personnel)**		01/04/2016 to 31/03/2017	Lease of Immovable Property	18/04/2016	11.70	-
Mrs. Seema Gyanchandani **(Share Holder of the Company)**		4/09/2015 to 30/10/2018	Lease of Immovable Property	4/09/2015	14.40	-
RSPL Health Pvt. Ltd. **(Wholly owned Subsidiary)**	Royalty Paid	01/04/2015 to 15/01/2022	Use of Trade Mark, Lable & Copyright in respect of "XPERT"	5/06/2015	442.61	-
Rene Solution **(Partner is Relative of Director)**	Commission C&F Paid	2016-2017	Commission Paid	In Ordinary course of business and arms length	95.36	-
Rene Solution **(Partner is Relative of Director)**	Sales Promotion Expenses Paid	2016-2017	Promotion Expenses Paid	In Ordinary course of business and arms length	181.73	-

For and on behalf of the Board of Directors

Murli Dhar Gyanchandani
Executive Chairman
DIN – 00049298

Date: 30/09/2017
Place: Kanpur

Particulars of Employees as required under sub-rule (2) & (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Employees employed throughout the financial year and who were in receipt of the remuneration for that Financial Year in the aggregate of not less than ₹ 1,02,00,000/-

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received (INR)	Nature of Employment, whether contractual or otherwise	Qualifications	Experience	Date of Commencement of Employment	Age	Particulars of Last Employment	% of Equity Shares held
1.	Shri Murlidhar Gyanchandani	Executive Chairman	9,44,03,000	Contractual	Graduate	30 Years	27/09/1995	71	-	26.37
2.	Shri Bimal Kumar Gyanchandani	Managing Director	9,44,03,000	Contractual	Graduate	30 Years	11/10/1995	57	-	25.00
3.	Shri Rahul Gyanchandani	Joint Managing Director	8,36,03,000	Contractual	Graduate	14 Years	01/05/2004	38	-	15.00
4.	Shri Manoj Kumar Gyanchandani	Whole Time Director	8,36,03,000	Contractual	Graduate	21 Years	11/03/2008	45	-	15.00
5.	Shri Rohit Gyanchandani	Whole Time Director	8,36,03,000	Contractual	M.B.A.	13 Years	04/02/2005	33	-	15.00

B. Employees employed for part of the financial year and who were in receipt of the remuneration during not at a rate not less than ₹ 8,50,000/- per month: NIL

For and on behalf of the Board of Directors

Murli Dhar Gyanchandani
Executive Chairman
DIN – 00049298

Date: 30/09/2017
Place: Kanpur

INDEPENDENT AUDITOR'S REPORT

To the Members of RSPL Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of RSPL Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 standalone Ind AS financial statements are free from material misstatement.

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

Basis for qualified opinion

We draw attention to note 44 to the financial statements regarding recoverability of balances from one of the supplier and its group companies amounting to ₹ 7,511.63 lacs (without considering payable balance of ₹ 5,282.58 lacs), net of liabilities of ₹ 2,229.05 lacs, wherein the company has initiated legal action for recoverability of these balances. Pending the outcome of above, we are unable to comment on the recoverability/ settlement of same.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Actin 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, 2017, of its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
   (a) Except for the matter described in the Basis for Qualified Opinion paragraph, 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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion proper books of accountas required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder;
   (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
   (g) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
   (h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
   (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32D to the standalone Ind AS financial statements;
      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 to the standalone Ind AS financial statements;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
      iv. The Company has provided requisite disclosures in Note 40to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. However, amounts aggregating to ₹ 328.58 lacs have been received from transactions which are not permitted.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and

March 31, 2015 dated September 26, 2016 and December 30, 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

For **S.R. Batliboi& CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

perPankaj Chadha
Partner
Membership Number: 091813

Place of Signature: Gurgaon
Date: September 30, 2017

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management in the financial year ended March 31, 2015 in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.Material discrepancies identified on such verification were properly dealt with in the books of accounts.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) The Company has granted loanto a firm covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the company's interest.

(b) The Company has granted loan that is re-payable on demand, to a firm covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The schedule of payment of interest has not been stipulated and accordingly, interest has been accrued as at the year end.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. The Company has complied with provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given.

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

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of organic/ in-organic compounds, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the company, thedues outstanding of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period (A.Y.) to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	34.73	AY 2004-05	Income tax appellate tribunal, Lucknow
Income tax Act, 1961	Income tax	41.31	AY 2013-14	Commissioner of Income tax (appeals)
Central Excise Act, 1944	Cenvat Credit	26.11	01-04-2009 to 31-3-2010	CESTAT -Delhi
Finance Act, 1994	Cenvat Credit	57.01	01-04-2006 to 31-03-2007	CESTAT -Delhi
Central Excise Act, 1944	Cenvat Credit	46.28	01-04-2009 to 31-03-2011	CESTAT -Delhi
Finance Act, 1994	Cenvat Credit	16.60	01-03-2010 to 30-09-2014	CCE (A)- Noida
Central Excise Act, 1944	Cenvat Credit	0.71	01-05-2004 to 31-05-2005	Assistant Commissioner of Central Excise, Division - II, Ghaziabad
Central Excise Act, 1944	Cenvat Credit	3.44	01-05-2002 to 31-05-2004	Assistant Commissioner of Central Excise, Division - II, Ghaziabad
Central Excise Act, 1944	Cenvat Credit	0.46	01-05-2006 to 30-11-2006	Assistant Commissioner of Central Excise, Division - II, Ghaziabad
Central Excise Act, 1944	Central Excise Duty	0.81	01-12-2006 to 30-09-2007	Assistant Commissioner of Central Excise, Division - II, Ghaziabad
Central Excise Act, 1944	Cenvat Credit	0.12	01-04-2012 to 31-03-2013	CCE (A)- Bhopal
Finance Act, 1994	Cenvat Credit	0.08	01-10- 2011 to 31-03 2012	2st. Appeal. Pending before Hon'ble Tribunal
Finance Act, 1994	Cenvat Credit	0.19	01-01-2013 to 31-12-2014	CCE(A) - Bhopal
Finance Act, 1994	Cenvat Credit	39.60	01-04-2005 to 31-03-2006	CCE A-Kanpur
Finance Act, 1994	Cenvat Credit	4.67	1-3-2010 to 31-7-2010	CESTAT-Kolkata
Finance Act, 1994	Cenvat Credit	3.80	01-08-2010 to 30-11-2010	CESTAT-Kolkata
Finance Act, 1994	Cenvat Credit	4.05	01-02-2010 to 31-07-2010	CESTAT-Kolkata
Central Excise Act, 1944	Central Excise Duty	0.47	01-04-2011 to 31-12-2011	CESTAT -Delhi
Central Excise Act, 1944	Central Excise Duty	65.17	01-07-2007 to 31-12-2011	CESTAT -Delhi
Central Excise Act, 1944	Central Excise Duty	45.23	01-10-20 12 to 30-06-2013	Revenue Appeal against demand dropped by CCE(A) on merits
Finance Act, 1994	Cenvat Credit	664.03	01-04-2007 to 31-03-2008	CESTAT -Delhi
Customs Act 1962	Advance Linence	0.93	FY 2009-10	The Commisioner of customs (Appeals)
Central Excise Act, 1944	Cenvat Credit	21.58	01-04-2009 to 31-03-2011	CCE(A) - Kanpur
Central Excise Act, 1944	Cenvat Credit	21.80	01-04-2009 to 31-03-2014	CCE - Bhopal
Finance Act, 1994	Cenvat Credit	12.16	01-04-2011 to31-03-2014	Joint Commissioner of Excise & Service tax, Indore
Finance Act, 1994	Cenvat Credit	0.05	12/13 to 11/14	1st Appeal, Pending
Finance Act, 1994	Cenvat Credit	2.77	01-04-10 to 30-06-14	CCE(A) - Bhopal
Central Excise Act, 1944	Cenvat Credit	0.84	21-01-2011 to 19-12-2013	CCE(A) - Bhopal
Finance Act, 1994	Cenvat Credit	1.09	2010-11 to 6/14	1st Appeal, Pending
Central Excise Act, 1944	Central Excise Duty	1.86	01-02-2013 to 31-12-2013	CCE(A) - Aurangabad
Central Excise Act, 1944	Central Excise Duty	1.99	01-04-2012 to 31-03-2013	CCE(A) - Jaipur
Central Excise Act, 1944	Central Excise Duty	171.39	2013-14 to 2014-15 (Oct-13 to Jan-15)	1st Appeal before CESTAT Delhi filed on 26.04.2016.
Finance Act, 1994	Service Tax	0.06	11.10.12 to 02.01.2014	1st Appeal Filed on 02.06.2016 with COMM(Appeals) CE, Kanpur

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period (A.Y.) to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	1.33	01-01-2014 to 31-10-2014	Assistant Commissioner of Central Excise, Division - II, Ghaziabad
Finance Act, 1994	Service Tax	0.36	01-10-2014 to 31-03-2015	Assistant Commissioner of Central Excise & Service Tax, Ghaziabad
Finance Act, 1994	Service Tax	0.19	01-11-2014 to 31-03-2015	Assistant Commissioner of Central Excise, Ghaziabad
Finance Act, 1994	Service Tax	2.71	01-11-2014 to 31-03-2015	Assistant Commissioner of Central Excise & Service Tax, Ghaziabad
Finance Act, 1994	Service Tax	27.88	April-12 to March 2015	Assistant Commissioner, Audit-II, Commissionerate, Ghaziabad
Central Excise Act, 1944	Cenvat Credit	4.66	April-15 to Sep.15	Assistant Commissioner, Div.-II, Ghaziabad
Central Excise Act, 1944	Cenvat Credit	0.30	April-15 to Sep.15	Assistant Commissioner, Div.-II, Ghaziabad
Central Excise Act, 1944	Central Excise Duty	0.81	01-07-2008 to 30-11-2008	Assistant Commissioner of Central Excise, Pithampur
Central Excise Act, 1944	Central Excise Duty	4.88	01-07-2008 to 30-11-2008	Assistant Commissioner of Central Excise, Pithampur
Central Excise Act, 1944	Central Excise Duty	1.59	07-12-08 to 24-02-09	Assistant Commissioner of Central Excise, Pithampur
Finance Act, 1994	Cenvat Credit	0.48	07-12-08 to 24-02-09	Assistant Commissioner of Central Excise, Pithampur
Finance Act, 1994	Cenvat Credit	0.79	01-04-2013 to 31-03-2014	Assistant Commissioner(Audit), Indore
Finance Act, 1994	Cenvat Credit	0.19	01-07-2014 to 31-03-2015	Assistant Commisionerofd Central Excise & Service Tax,Pithampur(Indore)
Central Excise Act, 1944	Central Excise Duty	1.40	2013-14 & 2014-15	Assistant Commisionerofd Central Excise & Service Tax,Pithampur(Indore)
Finance Act, 1994	Cenvat Credit	9.84	01-08-2008 to 31-07-2009	Addl. Commissioner Central Excise & Servise Tax, Bhopal.
Finance Act, 1994	Cenvat Credit	19.55	01-08-2009 to 31-05-2010	Joint Commission of Central Excise, Bhopal
Finance Act, 1994	Cenvat Credit	15.12	15.07.10 to 31.03.2011.	Additional Commissioner of Central Excise, Bhopal.
Finance Act, 1994	Cenvat Credit	1.21	01-04-2011 to 31-12-2012	Assistant Commissioner of Central Excise, Bhopal
Finance Act, 1994	Cenvat Credit	2.56	01-04-2012 to 30-09-2012	Assistant Commissioner of Central Excise, Bhopal
Finance Act, 1994	Cenvat Credit	0.59	01-04-2010 to 31-03-2012	Assistant Commissioner of Central Excise, Bhopal
Finance Act, 1994	Cenvat Credit	19.07	01-10-2012 to 31-10 -2014	Joint Commissioner of Central Excise, Bhopal
Finance Act, 1994	Cenvat Credit	3.44	01-09-2011 to 31-03-2012	Assistant Commissioner of Central Excise,Indore
Finance Act, 1994	Cenvat Credit	4.90	01-11-2014 to 31-03-2015	Assistant Commissioner of Central Excise,Indore
Finance Act, 1994	Cenvat Credit	19.98	01-09-2013 to 31-03-2015	Additional Commissioner (Audit) Bhopal.
Finance Act, 1994	Cenvat Credit	8.09	Jan.06 to May.07	Addl. Commissioner Central Excise Bhopal

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period (A.Y.) to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Cenvat Credit	10.21	Mar.07 to Feb.08	Addl. Commissioner Central Excise, Bhopal.
Finance Act, 1994	Cenvat Credit	3.55	Mar.08 to Aug.08	Addl. Commissioner Central Excise, Bhopal.
Central Excise Act, 1944	Central Excise Duty	3.98	01-07-2008 to 30-10-2008	Assistant Commissioner Of Central Excise, Haridwar
Finance Act, 1994	Cenvat Credit	0.96	02.03.05 to 31.03.06	Assistant Commissioer of Central Excise, Jamshedpur
Finance Act, 1994	Cenvat Credit	61.62	01-01-2011 to 30-09-2011	Assistant Commissioer of Central Excise, Jamshedpur
Central Excise Act, 1944	Central Excise Duty	14.01	01-04-2014 to 31-03-2015	Joint Commissioner of Central Excise, Meerut
Central Excise Act, 1944	Central Excise Duty	7.92	01-04-2015 to 30-09-2015	Additional Commissioner of Central Excise, Dehradun
Central Excise Act, 1944	Central Excise Duty	8.59	01-07-2013 to 31-03-2014	Joint Commissioner of Roorkee
Central Sales Tax Act,1956	Sales Tax	203.35	01-04-2000 to 31-03-2001	High Court, Allahabad
Orrisa VAT Act	VAT	1.00	01-04-2005 to 28-02-2007	Commissioner of Sales Tax, Cuttack
Orrisa Entry Tax Act	Entry Tax	2.24	01-04-2005 to 28-02-2007	Commissioner of Sales Tax, Cuttack
MP VAT ACT	VAT	34.32	01-04-2004 to 31-03-2005	The Appellte Authority
MP VAT ACT	VAT	66.26	01-04-2009 to 31-03-2010	Additional Commissioner Apeal
Commercial Tax U.P.	CST	4.27	01-04-2010 to 31-03-2011	Adl. Com Appeal
Commercial Tax Jamshedpur	VAT	126.45	01-04-2010 to 31-03-2011	High Court, Ranchi
Commercial Tax U.P.	CST	1.70	01-04-2012 to 31-03-2013	Adl. Com Appeal
Commercial Tax U.P.	CST	10.33	01-04-2012 to 31-03-2013	Additional Commissioner Appeal
Commercial Tax U.P.	Entry Tax	1.61	01-04-2013 to 31-03-2014	Joint Com Appeal
Commercial Tax Uttarakhand	VAT	1.70	01-04-2013 to 31-03-2014	Adl. Com Appeal
Commercial Tax Uttarakhand	CST	0.59	01-04-2013 to 31-03-2014	Adl. Com Appeal
Commercial Tax Maharashtra	CST	3.76	01-04-2010 to 31-03-2011	Adl. Com Appeal
Commercial Tax Jharkhand	VAT	119.09	01-04-2010 to 31-03-2011	Assessing Officer Appeal
Commercial Tax Maharashtra	CST	8.17	01-04-2011 to 31-03-2012	Adl. Com Appeal
Coomercial Tax UP	CST	6.32	01-04-2010 to 31-03-2011	Joint Cocmmissioner, Commercial tax
Finance Act 1994	Cenvat Credit	1.12	FY 2011-12 and 2012-13	Commissioner (Appeals) Bhopal
Finance Act 1994	Cenvat Credit	0.00	July 2015-April 2016	Commissioner (Appeals) Bhopal
Finance Act 1994	Cenvat Credit	0.20	FY 2011-12	Commissioner (Appeals) Bhopal

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments in the nature of Non-convertible debentures and term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

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

For **S.R. Batliboi& CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

perPankaj Chadha
Partner
Membership Number: 091813

Place of Signature: Gurgaon
Date: September 30, 2017

ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RSPL LIMITED

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

We have audited the internal financial controls over financial reporting of RSPL Limited ("the Company") as of March 31, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controlsand, 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.

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2017:

The Company did not have an appropriate documented internal control system in place with respect to process of review and monitoring of the yearend financial statement closure process, which may potentially result in material misstatement in the Company's financial statement balances and presentation and disclosure of financial statement.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi& CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

perPankaj Chadha
Partner
Membership Number: 091813

Place of Signature: Gurgaon
Date: September 30, 2017

BALANCE SHEET AS AT MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Assets				
Non-current assets				
Property, plant and equipment	3 (a)	**108,264.58**	97,353.26	78,511.21
Capital work-in-progress	3 (b)	**105,725.68**	14,640.54	5,534.74
Intangible assets	4 (a)	**89.67**	147.00	185.76
Intangible assets under development	4 (b)	**1,719.86**	1,355.34	1,348.90
Investment in subsidiary	5	**3,121.00**	21.00	21.00
Financial assets				
Investments	5	**18.01**	18.01	18.01
Loans	6	**723.83**	4,084.78	2,685.06
Other financial assets	7	**821.41**	10,559.19	16,031.27
Other non-current assets	8	**23,442.46**	19,850.43	5,898.62
		243,926.50	**148,029.54**	**110,234.57**
Current assets				
Inventories	9	**64,056.24**	47,290.19	38,407.67
Financial assets				
Investments	5	**29,681.84**	40,041.42	25,597.46
Loans	6	**1,867.11**	1,401.27	4,100.14
Trade receivables	10	**4,728.71**	3,725.90	3,397.16
Cash and cash equivalents	11 (a)	**824.48**	1,042.03	7,634.45
Bank balances other than above	11 (b)	**60.22**	35.75	-
Other current financial assets	7	**286.16**	943.35	1,250.96
Other current assets	8	**25,956.31**	32,437.22	32,930.59
		127,461.07	**126,917.13**	**113,318.43**
Total Assets		**371,387.57**	**274,946.67**	**223,553.00**
Equity and liabilities				
Equity				
Equity share capital	12	**4,403.25**	4,403.25	4,403.25
Other equity	13	**166,080.73**	138,242.27	105,566.25
		170,483.98	**142,645.52**	**109,969.50**
Non-current liabilities				
Financial liabilities				
Borrowings	14	**45,759.01**	22,767.47	23,081.89
Provisions	15	**2,459.10**	1,523.81	837.81
Deferred tax liabilities (net)	16	**4,966.97**	5,258.70	4,570.46
Other non-current liabilities	19	**9,282.10**	3,046.01	-
		62,467.18	**32,595.99**	**28,490.17**
Current liabilities				
Financial liabilities				
Borrowings	14	**56,009.86**	18,742.96	13,868.54
Trade payables	17	**45,499.27**	43,991.96	39,693.10
Other current financial liabilities	18	**22,433.07**	10,916.51	6,922.19
Other current liabilities	19	**13,082.52**	18,328.85	23,458.83
Provisions	15	**420.94**	195.39	268.00
Current tax liabilities (net)	20	**990.75**	7,529.49	882.67
		138,436.41	**99,705.16**	**85,093.33**
Total Equity and Liabilities		**371,387.57**	**274,946.67**	**223,553.00**
Summary of significant accounting policies	2			
The accompanying notes are an integral part of the financial statements				

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

RSPL
EVOLUTION IS CONSTANT

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	21	**448,451.21**	466,628.35
Other income	22	**9,088.94**	7,596.50
Total income		**457,540.15**	**474,224.85**
Expenses			
Cost of raw materials and component consumed	23 (a)	**271,875.97**	279,815.83
Increase in inventories of finished goods, work-in-progress, and others	23 (b)	**(2,464.22)**	(4,938.74)
Excise duty on sale of goods		**47,596.71**	49,594.45
Employee benefits expense	24	**23,764.61**	20,892.58
Depreciation and amortization expense	25	**7,618.20**	6,541.86
Finance costs	27	**3,163.18**	3,603.01
Other expenses	26	**61,670.44**	60,544.38
Total expenses		**413,224.89**	**416,053.37**
Profit before tax		**44,315.26**	**58,171.48**
Tax expense :			
Current tax	16	**13,439.85**	19,000.00
Deferred tax	16	**(226.28)**	679.96
Adjustment of tax related to earlier periods	16	**489.73**	1.53
Profit for the year		**30,611.96**	**38,489.99**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement losses / (gains) on defined benefit plans	28	**189.12**	(23.94)
Income tax effect		**(65.45)**	8.29
Other comprehensive income for the year		**123.67**	(15.65)
Total comprehensive income for the year		**30,488.29**	**38,505.64**
Earnings per equity share:	29		
(1) Basic		**69.52**	87.41
(2) Diluted		**69.52**	87.41
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

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Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	**44,315.26**	58,171.48
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	**7,618.20**	6,541.86
Unrealised exchange difference gain	**(376.45)**	157.93
Provision for doubtful loans and advances / trade receivables	**192.36**	149.73
Balances written off	**67.86**	-
Fair value (gain) / loss on financial instrument	**(1,429.48)**	(1,471.71)
Fair value gain / (loss) on derivative instruments	**(1,633.70)**	(362.85)
Interest and financial charges	**3,163.18**	3,603.01
(Profit) / loss on sale of property, plant & equipment (net)	**(23.26)**	2.36
Profit on sale of current investments	**(1,825.38)**	(1,577.42)
Dividend income	**(154.13)**	(33.06)
Interest income	**(654.36)**	(1,926.66)
Operating profit before working capital changes	**49,260.09**	**63,254.68**
Add: Working capital changes :		
Increase in inventories	**(16,766.05)**	(8,882.52)
Increase in trade receivables	**(1,042.73)**	(330.81)
(Increase)/ decrease in loans	**(379.31)**	1,151.50
Decrease in other financial assets	**11,952.26**	5,724.30
(Increase)/ decrease in other assets	**1,999.31**	(1,872.97)
Increase in trade payables	**1,402.96**	4,140.89
Increase in provisions	**971.72**	637.33
Increase in other financial liabilities	**212.78**	514.59
Decrease in other liabilities	**989.77**	(2,592.77)
Cash flow from operations	**48,600.80**	**61,744.23**
Less: Direct taxes paid (net)	**(20,468.32)**	(12,354.71)
NET CASH FROM OPERATING ACTIVITIES (A)	**28,132.48**	**49,389.51**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advance)	**(97,930.17)**	(45,622.59)
Proceeds from sale of property, plant and equipment	**150.81**	86.18
(Purchase)/ sale or decrease of investments (net)	**13,614.43**	(11,394.83)
(Investment in) / proceeds from fixed deposits (net)	**5.55**	46.46
Interest received	**632.91**	2,262.68
Dividend received	**154.13**	33.06
C. NET CASH USED IN INVESTING ACTIVITIES (B)	**(83,372.32)**	**(54,589.04)**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	**(1,956.45)**	(3,851.36)
Proceeds from borrowings	**59,628.58**	8,288.08
Dividend paid (inclusive of Corporate Dividend Tax)	**(2,649.83)**	(5,829.62)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES (C)	**55,022.29**	**(1,392.90)**
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(217.55)**	**(6,592.42)**
Cash and cash equivalents as at the beginning of the year	**1,042.03**	7,634.45
Cash and cash equivalents as at the end of the year	**824.48**	1,042.03
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(217.55)**	**(6,592.42)**
Summary of significant accounting policies	**2**	
The accompanying notes are an integral part of the financial statements		

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

A. Equity share capital:

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2015	**44,032,500**	**4,403.25**
At March 31, 2016	**44,032,500**	**4,403.25**
At March 31, 2017	**44,032,500**	**4,403.25**

B. Other equity

	Reserves and Surplus				Items of Other Comprehensive Income	
Particulars	**Amalgamation reserve**	**General reserve**	**Debenture redemption reserve**	**Retained earnings**	**Re-measurement gains / (losses) on defined benefit plans**	**Total**
At April 01, 2015	**33.86**	**28,728.09**	**-**	**76,804.30**	**-**	**105,566.25**
Profit for the year	-	-	-	38,489.99	-	38,489.99
Other Comprehensive Income						
-Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	23.94	23.94
-Income tax effect on above	-	-	-	-	(8.29)	(8.29)
Interim dividends	-	-	-	(4,843.58)	-	(4,843.58)
Dividend distribution tax	-	-	-	(986.04)	-	(986.04)
At March 31, 2016	**33.86**	**28,728.09**	**-**	**109,464.67**	**15.65**	**138,242.27**
Profit for the year	-	-	-	30,611.96	-	30,611.96
Other Comprehensive Income						
-Re-measurement gains (losses) on defined benefit plans	-	-	-	-	(189.12)	(189.12)
-Income tax effect on above	-	-	-	-	65.45	65.45
Interim dividends	-	-	-	(2,201.63)	-	(2,201.63)
Dividend distribution tax	-	-	-	(448.20)	-	(448.20)
Transfer to debenture redemption reserve	-	(231.51)	231.51	-	-	-
At March 31, 2017	**33.86**	**28,496.58**	**231.51**	**137,426.80**	**(108.02)**	**166,080.73**

Summary of significant accounting policies 2

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

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

1. Corporate information

RSPL Limited (hereinafter referred to as "the Company") originally started with the name of 'Shri Mahadeo Soap Industries Private Limited' in the year 1988. In the year 2008, the Company merged with 'Ghari Industries Private Limited', 'Calcutta Detergent Private Limited' and real estate business of the company was demerged to 'Nimmi Build Tech Private Limited'. In 2011, the Company also demerged its leather business into 'Leayan Global Private Limited'. Effective from 26 August 2011, name of the Company was changed to 'RSPL Private Limited'. Subsequently the Company was converted into a Public Limited Company on 29 August 2011.The Company is operating in the 'Fast Moving Consumer Goods' (FMCG) business comprising Home and Personal Care (HPC) products and it is also in business of generating electricity using wind energy.

The Company's debt securities are listed on the National Stock Exchange. The registered office of the Company is located at 119-121, Block P&T, Fazalganj, Kalpi Road, Kanpur – 208 012.

The information on related party relationships of the Company is provided in Note 33.

The financial statements were approved for issue in accordance with a resolution of the directors on September 30, 2017.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 issued by Ministry of Corporate Affairs ("MCA").

For all the periods up to and including March 31, 2016, the Company has prepared the financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 42 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements correspond to the classification provisions as contained in Ind AS 1 "Presentation of Financial Statements". For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet, however, the details of such items are separately presented in the notes to accounts of the financial statements, where applicable.

The Company uses same accounting policies in its opening Ind AS balance sheet and throughout all periods presented in its first Ind AS financial statements. These accounting policies comply with Ind AS effective at the end of the first Ind AS reporting period, except as specified in Ind AS 101.

The financial statements are presented in Indian Rupees (INR) in lakh and all values are rounded to the nearest lakh (INR 00,000), except when otherwise stated.

2.2 Summary of significant accounting policies

a. 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:

- Expected to be realised or intended to be sold or consumed in normal operating cycle (the company considers 12 month period as normal operating cycle).
- Held primarily for the purpose of trading.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle (the company considers 12 month period as normal operating cycle).
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and realisation in cash and cash equivalents.

b. Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

c. Fair value measurement

The Company measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from services

Revenue from services are recognized pro rata over the period of contract as and when services are rendered. The Company collects service tax on behalf of government and, therefore, it is not an economic benefit flowing on account of the Company. Hence, it is excluded from revenue.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

e. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity

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

g. Property, plant and equipment

The Company has elected to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind-AS and use the same as its deemed cost as at the date of transition.

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of replaced part getting derecognized. The cost of day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation on property, plant and equipment has been provided on the straight line method as per the useful life as estimated by the management to allocate their cost, net of their residual values, over their estimated useful lives based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Asset category	**Useful lives estimated by the management (years)**
Plant and equipment	3 - 25 years
Office equipment	2 - 5 years
Buildings	3-30 years
Computers	3-6 years
Electrical installations and fittings	10 years
Furniture and fixtures	10 years
Lab equipments	10 years
Land (Leasehold)	**As per the lease term**
Wind power convertors	20 years
Vehicles	6 years

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Depreciation on additions/ deletions is provided on pro-rata basis with reference to the date of addition/ deletion.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets (computer software) with finite lives are amortized over the useful economic life (Software- Life estimated by management is 3 years) not exceeding 3 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Leases

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

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Finance lease:

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease:

Operating lease payments are recognized as expense or income on a straight line basis with reference to lease terms and other considerations except where-

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or

ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Company as a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

k. Inventories

Inventories of raw materials, components, stores and spares are valued at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

- Raw materials and components: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition such as non-refundable duties, freight etc.. Cost of raw material and components is determined on first in, first out basis.
- Cost of spare parts is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

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

l. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets ('CGU').

An impairment loss is recognised, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications 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. An impairment loss is reversed 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 amortization, if no impairment loss had been recognised.

m. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

n. Contingent liabilities and contingent assets

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

Contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

o. Retirement and other employee benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Gratuity

The Company operates a defined benefit gratuity plan, which requires contributions to be made to SBI life insurance company limited. There are no other obligations other than the contribution payable to the respective trust. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Re-measurements, 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 in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated leave absences

Accumulated leave, which is expected to be utilized within a period of next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

This category generally applies to trade and other receivables. Company has recognized financial assets viz. trade receivables, cash and cash equivalents, security deposits, trade receivables at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Company has recognized investment in mutual funds at FVTPL.

Equity investments

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

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

(Amount in INR lakh, unless otherwise stated)

For equity instruments included within the FVTPL category are measured at fair value and company has recognized all changed in the P&L.

Derecognition

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

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

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

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

Impairment of financial assets

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, advances and bank balance
b. Trade receivables that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

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

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The company does not have any financial liabilities designated at Fair Value through Profit or Loss.

Financial liabilities at amortised cost

Loans and borrowings

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

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

q. Derivative financial instruments accounting

The Company uses derivative financial instruments, such as cross currency interest rate swaps and interest rate swaps to hedge against its risk exposure against foreign currency loans, variable interest outflow on such loans relating to firm commitments. 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.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

r. Cash and cash equivalents

Cash and cash equivalent 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

3 (a). Property, plant and equipment

Particulars	Freehold land	Leasehold land	Buildings	Plant and equipment	Lab equipment	Wind power convertors	Electrical installation and fittings	Office equipments	Computers	Furnitures and fixtures	Vehicles	Total
Cost												
At April 01, 2015 (refer note below)	14,870.72	1,104.65	27,771.82	16,893.65	34.98	11,083.55	1,694.14	589.10	449.52	491.66	3,527.42	78,511.21
Additions	10,944.46	475.09	579.06	2,671.16	-	9,594.37	3.79	183.34	114.64	77.44	669.59	25,312.94
Disposals / adjustments (net)	13.08	-	-	101.07	1.40	-	2.80	(16.20)	(0.25)	(10.59)	10.32	101.63
At March 31, 2016	**25,802.10**	**1,579.74**	**28,350.88**	**19,463.74**	**33.58**	**20,677.92**	**1,695.13**	**788.64**	**564.41**	**579.69**	**4,186.69**	**103,722.52**
Additions	2,350.51	-	6,684.89	7,655.94	40.98	-	560.82	245.21	162.21	268.70	593.28	18,562.54
Disposals	69.36	-	-	52.26	-	-	5.79	-	0.77	-	32.20	160.38
At March 31, 2017	**28,083.25**	**1,579.74**	**35,035.77**	**27,067.42**	**74.56**	**20,677.92**	**2,250.16**	**1,033.85**	**725.85**	**848.39**	**4,747.77**	**122,124.68**
Depreciation												
At April 01, 2015	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	8.01	1,298.65	2,443.67	4.14	735.14	259.83	235.19	159.67	76.91	1,161.15	6,382.36
Disposals / adjustments (net)	-	-	-	8.99	-	-	-	0.20	0.13	-	3.77	13.09
At March 31, 2016	**-**	**8.01**	**1,298.65**	**2,434.68**	**4.14**	**735.14**	**259.83**	**234.99**	**159.54**	**76.91**	**1,157.38**	**6,369.27**
Depreciation for the year	-	18.47	1,813.92	2,680.13	8.21	1,164.01	275.41	229.71	163.94	80.26	1,089.60	7,523.66
Disposals	-	-	-	14.63	-	-	1.55	-	0.36	-	16.29	32.83
At March 31, 2017	**-**	**26.48**	**3,112.57**	**5,100.18**	**12.35**	**1,899.15**	**533.69**	**464.70**	**323.13**	**157.16**	**2,230.69**	**13,860.10**
Net block value												
At March 31, 2017	28,083.25	1,553.26	31,923.20	21,967.24	62.21	18,778.77	1,716.47	569.15	402.72	691.22	2,517.08	108,264.58
At March 31, 2016	25,802.10	1,571.73	27,052.23	17,029.06	29.44	19,942.78	1,435.30	553.65	404.87	502.78	3,029.31	97,353.26
At April 01, 2015	14,870.72	1,104.65	27,771.82	16,893.65	34.98	11,083.55	1,694.14	589.10	449.52	491.66	3,527.42	78,511.21

Note:

i). Finance Lease

The carrying value of finance lease recognised under leasehold land as at March 31, 2017 was INR 60.28 lakh (March 31, 2016: INR 60.28 lakh: April 1, 2015: INR 60.28 lakh) - refer note 32(C) for additional details.

ii). The Company has availed Ind-AS 101 exemption and continued with the carrying value for all of its Property, plant and equipment as its deemed cost as at the date of transition (refer note 42).

Particulars	Freehold land	Leasehold land	Buildings	Plant and equipment	Lab equipment	Wind power convertors	Electrical installation and fittings	Office equipments	Computers	Furnitures and fixtures	Vehicles	Total
Gross block	14,875.24	1,170.02	31,711.28	24,773.54	41.52	18,550.67	2,348.00	1,066.90	663.46	629.47	6,682.21	102,512.31
Accumulated depreciation	4.52	65.37	3,939.46	7,879.89	6.54	7,467.12	653.86	477.80	213.94	137.81	3,154.79	24,001.10
Net block	14,870.72	1,104.65	27,771.82	16,893.65	34.98	11,083.55	1,694.14	589.10	449.52	491.66	3,527.42	78,511.21

iii). Refer note 14 for assets pledged against borrowings.

3 (b). Capital work-in-progress (refer note 45)

At March 31, 2017	105,725.68
At March 31, 2016	14,640.54
At April 01, 2015	5,534.74

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary &
Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

4 (a). Intangible assets

Particulars	**Software**	**Total**
Cost		
At April 1, 2015 (refer note below)	185.76	185.76
Additions	120.71	120.71
Disposal / Adjustments	0.02	0.02
At March 31, 2016	**306.49**	**306.49**
Additions	37.21	37.21
Disposal / Adjustments	-	-
At March 31, 2017	**343.70**	**343.70**
Amortization		
At April 1, 2015	-	-
Amortization for the year	159.50	159.50
Disposal / Adjustments	(0.01)	(0.01)
At March 31, 2016	**159.49**	**159.49**
Amortization for the year	94.54	94.54
Disposal / Adjustments	-	-
At March 31, 2017	**254.03**	**254.03**
Net book value		
At March 31, 2017	**89.67**	**89.67**
At March 31, 2016	**147.00**	**147.00**
At April 1, 2015	**185.76**	**185.76**

Note -

The Company has availed Ind AS-101 exemption and continued with the carrying value for all of it's Intangible Assets as its deemed cost as at the date of transition (refer note 42).

Particulars	**Software**	**Total**
Gross block	540.10	540.10
Accumulated amortisation	354.34	354.34
Net block	185.76	185.76

4 (b) . Intangible assets under development

At March 31, 2017	1,719.86
At March 31, 2016	1,355.34
At April 01, 2015	1,348.90

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

5. Investments

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 01, 2015**
Non-current						
Investment in subsidiary						
Investments in unquoted equity instruments of subsidiary company (at cost)						
Equity shares of INR 10/- each fully paid-up in RSPL Health Pvt. Ltd	**312.10**	2.10	2.10	**3,121.00**	21.00	21.00
				3,121.00	**21.00**	**21.00**
Other investments						
Investment in unquoted equity shares carried at fair value through other comprehensive income (FVTOCI)						
Equity shares of INR 10/- each fully paid-up in Nimmi Build Tech Pvt. Ltd	**0.10**	0.10	0.10	**1.08**	1.08	1.08
Equity shares of INR 10/- each fully paid-up in Leayan Global Pvt. Ltd	**0.10**	0.10	0.10	**16.93**	16.93	16.93
				18.01	**18.01**	**18.01**
Total				**3,139.01**	**39.01**	**39.01**

5. Investments

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current						
Investment carried at amortised cost						
Investment in debentures (quoted)						
Debentures of INR 10 lakh each fully paid-up in Kotak Mahindra Prime Limited	**-**	-	500.00	-	-	5,000.00
Investment carried at fair value through other comprehensive income (FVTOCI)						
Investment in equity shares (quoted)						
Equity shares of INR 10 each fully paid-up in GHCL Limited	**-**	-	17.500	-	-	1,049.43
Investment carried at fair value through profit and loss (FVTPL)						
Investment in mutual funds (quoted)*						
Birla Sunlife Corporate Bond Fund - Growth Regular	**122.110**	-	-	1,460.90	-	-
Birla Sun Life Short Term Opportunities Fund - Growth-Regular Plan	**-**	25.900	25.900	-	642.18	592.40
DSP Blackrock Income Opportunity Fund	**19.430**	-	-	534.90	-	-
DSP BlackRock FMP - Series 104 - 12 Month - Regular - Growth	**-**	110.000	110.000	-	1,388.19	1,281.26
Franklin India Income Opportunity Fund - Growth	**77.160**	77.160	77.160	1,470.43	1,321.08	1,244.51
HDFC Corporate Debt opportunity Fund – Regular Growth	**48.380**	48.380	48.380	655.88	593.66	544.15
HDFC Prudence Fund - Regular Plan - Growth	**-**	0.240	-	-	25.54	-
HDFC FMP 371-D – June 2014 (3) Series 31 - Regular - Growth	**50.000**	50.000	50.000	626.74	578.63	533.17
ICICI Prudential FMP Series 72 - Direct Plan	**-**	50.000	50.000	-	604.06	555.55

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ICICI prudential Corporate Bond Fund - Direct Plan - Growth	**20.330**	-	-	**534.87**	-	-
IDFC Ultra Short Term Fund-G-Direct Plan	**-**	-	25.930	**-**	-	507.93
Religare Invesco Ultra Short Term Fund-Direct Plan -G	**-**	-	0.260	**-**	-	505.27
Kotak liquid scheme plan A-G	**-**	-	0.350	**-**	-	1,001.73
SBI Magnum Insta Cash Fund - RP - G	**-**	-	1.130	**-**	-	3,489.70
SBI Magnum Insta Cash Fund Liquid Floater - RP - G	**-**	-	0.680	**-**	-	1,613.23
SBI Premier liquid fund-Reg-G	**-**	-	0.910	**-**	-	2,002.91
ICICI Prudential FMP Series 77 - 1100 Days Plan M Cumulative	**100.000**	100.000	-	**1,175.81**	1,031.37	-
ICICI Prudential Regular Saving Fund – Regular Plan Growth	**36.840**	36.840	36.840	**639.94**	581.73	540.35
Kotak FMP Series 105 Direct - Growth	**-**	100.000	100.000	**-**	1,273.68	1,172.91
TATA Fixed Maturity Series 46 Scheme I	**-**	50.000	50.000	**-**	601.79	553.61
Kotak FMP Series 107 Regular - Growth	**-**	50.000	50.000	**-**	634.08	584.99
IDFC Super Saver Income fund - Investment growth regular plan	**-**	16.910	16.910	**-**	606.08	577.74
IDFC Money Manager Fund - Treasury Plan - Direct Growth	**-**	0.060	-	**-**	1.53	-
IIFL Cash opportunity fund	**-**	342.160	-	**-**	3,628.80	-
Kotak Equity Arbitrage Fund - Direct Plan - Fortnightly Dividend Pay - Reinvest	**149.220**	-	-	**3,546.27**	-	-
Kotak Income Opportunity Fund - Direct Plan – Growth	**28.830**	-	-	**538.16**	-	-
Kotak Income Opportunity Fund - Regular Plan - Growth	**72.020**	72.020	72.020	**1,292.26**	1,174.75	1,076.60
Kotak Low Duration Fund - Direct Growth	**0.004**	-	-	**9.03**	-	-

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investment in mutual funds (quoted)*						
Reliance Money Manager Fund	**0.220**	-	-	**500.00**	-	-
SBI Treasury Advantage Fund - Regular Plan - Growth	**-**	9.640	-	**-**	16,178.27	-
SBI Arbitrage Opportunities Fund - Dividend Payout	**283.790**	-	-	**4,019.07**	-	-
SBI Corporate Bond Fund - Direct Plan - Growth	**39.920**	-	-	**1,068.62**	-	-
SBI Premier Liquid Fund - Direct Plan - Growth	**0.390**	-	-	**1,000.28**	-	-
SBI Debt fund Series 34 Regular Growth	**-**	50.000	50.000	**-**	633.26	584.36
SBI Debt fund Series 34 Direct Growth	**-**	50.000	50.000	**-**	635.56	585.67
SBI Short Term Debt Fund - Direct Plan	**62.690**	-	-	**1,205.67**	-	-
SBI Ultra Short Term Debt Fund - Regular Plan - Growth	**2.500**	2.690	-	**5,247.61**	5,231.83	-
UTI - Income Opportunity Fund - Direct Plan - Growth	**42.330**	-	-	**662.98**	-	-
UTI Fixed Term Income Fund Series XXII- VI (1098 Days)	**250.000**	250.000	-	**2,990.53**	2,675.35	-
UTI Fixed Term Income Fund Series XXVI- V (1160 Days)	**50.000**	-	-	**501.89**	-	-
Total				**29,681.84**	**40,041.42**	**25,597.46**
Aggregate amount of unquoted investments				**3,139.01**	**39.01**	**39.01**
Aggregate amount of quoted investments				**29,681.84**	**40,041.42**	**25,597.46**
Aggregate market value of quoted investments				**29,681.84**	**40,041.42**	**25,597.46**
***Aggregate market value of quoted investments lien marked against borrowings (refer note 14)**				**17,740.30**	**15,788.18**	**10,427.25**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

6. Loans (carried at amortised cost)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Unsecured, considered good			
Security deposits	**723.83**	689.71	560.82
Loans to related parties*	**-**	3,395.07	2,124.24
Total	**723.83**	**4,084.78**	**2,685.06**
Current			
Unsecured, considered good			
Security deposits	**67.95**	22.64	24.51
Loans to related parties	**1,345.70**	930.83	3,753.51
Loans to employees**	**453.46**	447.80	322.12
Unsecured, considered doubtful			
Other loans	**120.00**	143.23	136.48
	1,987.11	**1,544.50**	**4,236.62**
Less: Provision for doubtful loans	**(120.00)**	(143.23)	(136.48)
Total	**1,867.11**	**1,401.27**	**4,100.14**

* Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those cross currency interest rate swaps, currency options and interest rate swaps that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for external currency borrowings.

The decrease/increase in the fair value has been recognised in foreign exchange loss/finance income respectively and offset with a similar gain/loss on the bank borrowings.

** The Company has given loan to its employees which are repayable in twelve months and do not carry any interest.

7. Other financial assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Unsecured, considered good			
Carried at fair value through profit and loss			
Derivative assets*	**30.61**	985.67	651.24
Carried at amortised cost			
Deposits with maturity for more than 12 months	**-**	5.55	52.01
Interest accrued on fixed deposits	**66.06**	378.42	1,367.23
Margin money deposits with banks	**724.74**	9,189.55	13,960.79
Total	**821.41**	**10,559.19**	**16,031.27**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current			
Unsecured, considered good			
Carried at fair value through profit and loss			
Derivative assets*	**262.86**	941.50	913.09
Carried at amortised cost			
Interest accrued on fixed deposits	**3.43**	1.85	17.89
Interest accrued on investments	**19.87**	-	319.98
Total	**286.16**	**943.35**	**1,250.96**

* Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those cross currency interest rate swaps, currency options and interest rate swaps that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for external currency borrowings. The decrease/increase in the fair value has been recognised in foreign exchange loss/finance income respectively and offset with a similar gain/loss on the bank borrowings.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

8. Other assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Capital advances			
Unsecured, considered good.	**15,180.49**	16,070.05	4,484.58
Doubtful	**148.36**	381.78	241.56
Total	**15,328.85**	**16,451.83**	**4,726.14**
Less: Allowance for doubtful advances	**(148.36)**	(381.78)	(241.56)
	15,180.49	**16,070.05**	**4,484.58**
Prepaid expenses	**1,773.56**	**1,510.13**	**1,233.54**
Balance with statutory / government authorities			
Unsecured, considered good	**153.64**	132.76	175.50
Doubtful	**64.17**	64.17	64.17
	217.81	**196.93**	**239.67**
Less : Allowance for doubtful advances	**(64.17)**	(64.17)	(64.17)
	153.64	**132.76**	**175.50**
Other assets- Advances recoverable in cash			
Unsecured, considered good			
Subsidy receivable (refer note 46)	**6,334.77**	2,128.49	-
Other advances	**-**	9.00	5.00
Unsecured, considered doubtful			
Other advances	**123.31**	123.31	123.31
	6,458.08	**2,260.80**	**128.31**
Less: Allowances for doubtful advances	**(123.31)**	(123.31)	(123.31)
	6,334.77	**2,137.49**	**5.00**
Total	**23,442.46**	**19,850.43**	**5,898.62**

8. Other assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current			
Prepaid expenses	**956.57**	**866.20**	**654.09**
Balance with statutory / government authorities			
Unsecured, considered good	**15,129.38**	4,994.74	4,262.20
	15,129.38	**4,994.74**	**4,262.20**
Other loans- Advances recoverable in cash			
Unsecured, considered good (refer note 44)	**9,861.36**	26,559.12	28,014.30
Doubtful	**508.20**	424.96	424.27
	10,369.56	**26,984.08**	**28,438.57**
Less: Allowances for doubtful advances	**(508.20)**	(424.96)	(424.27)
	9,861.36	**26,559.12**	**28,014.30**
Others	**9.00**	17.16	-
Total	**25,956.31**	**32,437.22**	**32,930.59**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

9. Inventories (at lower of cost or net realisable value)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Raw material and packing material (includes Goods in Transit March 31, 2017 : ₹ 6535.99 lakh, March 31, 2016 : ₹ 2829.69 lakh, April 01, 2015 : ₹ 3695.60 lakh)	**36,721.45**	23,490.84	20,132.58
Work in progress (includes Goods in Transit March 31, 2017 : ₹ 333.30 lakh, March 31, 2016 : nil, April 01, 2015 : nil)	**7,264.85**	5,548.81	4,183.32
Finished goods (includes Goods in Transit March 31, 2017 : ₹ 5019.16 lakh, March 31, 2016 : ₹ 6423.80 lakh, April 01, 2015: ₹ 5177.88 lakh)	**16,429.19**	15,773.71	12,161.16
Stores and spares (includes Goods in Transit March 31, 2017: ₹ 7.09 lakh, March 31, 2016 : ₹ 9.31 lakh, April 01, 2015 : nil)	**2,959.11**	2,372.22	1,837.94
Others	**681.64**	104.61	92.67
Total	**64,056.24**	**47,290.19**	**38,407.67**

10. Trade receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Receivable from related parties			
Unsecured, considered good*	**2,801.81**	2,437.35	2,592.64
Receivable from others			
Unsecured, considered good	**1,926.90**	1,288.55	804.52
Doubtful	**179.75**	161.80	159.72
	4,908.46	**3,887.70**	**3,556.88**
Less: Allowance for doubtful receivables	**(179.75)**	(161.80)	(159.72)
Total	**4,728.71**	**3,725.90**	**3,397.16**

* Represents debts due from private companies which have common directors and members.

11. (a). Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balances with banks:			
– On current accounts	**717.08**	525.38	782.94
– Deposits with original maturity of less than three months	**-**	202.54	6,520.00
Cash on hand	**107.40**	314.11	331.51
Total	**824.48**	**1,042.03**	**7,634.45**

11. (b). Other Bank balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deposits with original maturity for more than 3 months but upto 12 months	**60.22**	35.75	-
Total	**60.22**	**35.75**	**-**

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cash and cash equivalents as per balance sheet	**824.48**	1,042.03	7,634.45
	824.48	**1,042.03**	**7,634.45**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

12. Equity share capital

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised share capital			
450.00 lakh (March 31, 2016 : 450.00 lakh and April 01, 2015 : 450.00 lakh) equity shares of INR 10 each	**4,500.00**	4,500.00	4,500.00
Issued, subscribed and fully paid equity share capital			
440.33 lakh (March 31, 2016 : 440.33 lakh and April 01, 2015 : 440.33 lakh) equity shares of INR 10 each	**4,403.25**	4,403.25	4,403.25
Total	**4,403.25**	**4,403.25**	**4,403.25**

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2015	45,000,000	4,500.00
Changes during the year	-	-
At March 31, 2016	**45,000,000**	**4,500.00**
Changes during the year	-	-
At March 31, 2017	**45,000,000**	**4,500.00**

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2015	44,032,500	4,403.25
Changes during the year	-	-
At March 31, 2016	**44,032,500**	**4,403.25**
Changes during the year	-	-
At March 31, 2017	**44,032,500**	**4,403.25**

(iii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During the year ended March 31, 2017, the amount of per share dividend recognised as distributions to equity shareholder was INR 5 (March 31, 2016: INR 11).

In the event of liquidation of the Company, the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holds of equity shares in proportion to the amount paid up or credited as paid up on equity shares respectively at the commencement of the winding up.

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri Murli Dhar	**11,610,000**	**26.37%**	11,610,000	26.37%
Shri Bimal Kumar	**11,008,000**	**25.00%**	11,008,000	25.00%
Shri Manoj Kumar	**6,605,000**	**15.00%**	6,605,000	15.00%
Shri Rahul Gyanchandani	**6,605,000**	**15.00%**	6,605,000	15.00%
Shri Rohit Gyanchandani	**6,605,000**	**15.00%**	6,605,000	15.00%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

(v) Details of dividend declared and paid during the year

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interim dividend for 2015-16 : INR 11 per share	-	4,843.58
Dividend distribution tax @ 20.358%	-	986.04
Interim dividend for 2016-17 : INR 5 per share	**2,201.63**	-
Dividend distribution tax @ 20.358%	**448.20**	-
Total	**2,649.83**	**5,829.62**

(vi) Details of proposed dividend on equity shares

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Proposed dividend for 2016-17 : INR 6 per share	**2,641.95**	-
Dividend distribution tax @ 20.358%	**537.84**	-
Total	**3,179.79**	**-**

Note:

Proposed dividend is subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as on March 31, 2017.

13. Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income	Total
	Amalgamation reserve**	General reserve	Debenture redemption reserve*	Retained earnings	Re-measurement gains (losses) on defined benefit plans	
At April 01, 2015	**33.86**	**28,728.09**	**-**	**76,804.30**	**-**	**105,566.25**
Profit for the year	-	-	-	38,489.99	-	38,489.99
Other comprehensive income						
-Re-measurement gains (losses) on defined benefit plans	-	-	-	-	23.94	23.94
-Income tax effect on above	-	-	-	-	(8.29)	(8.29)
Interim dividends	-	-	-	(4,843.58)		(4,843.58)
Dividend distribution tax	-	-	-	(986.04)	-	(986.04)
At March 31, 2016	**33.86**	**28,728.09**	**-**	**109,464.67**	**15.65**	**138,242.27**
Profit for the year	-	-	-	30,611.96	-	30,611.96
Other comprehensive income						
-Re-measurement gains (losses) on defined benefit plans	-	-	-	-	(189.12)	(189.12)
-Income tax effect on above	-	-	-	-	65.45	65.45
Interim dividends	-	-	-	(2,201.63)	-	(2,201.63)
Dividend distribution tax	-	-	-	(448.20)	-	(448.20)
Transfer to debenture redemption reserve	-	(231.51)	231.51	-	-	-
At March 31, 2017	**33.86**	**28,496.58**	**231.51**	**137,426.80**	**(108.02)**	**166,080.73**

* The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and debentures) Amendment Rules, 2015, requires the company to create debenture redemption reserve (DRR) out of the profits of the company available for payment of dividend. The adequacy of debenture redemption reserve (DRR) will be 25% of the value of outstanding debentures. Accordingly an amount of INR 231.51 lakh has been made to debenture redemption reserve (DRR) as on March 31, 2017 (March 31, 2016: Nil, April 1, 2016: Nil)

** Amalgamation reserve is arising as a result of scheme of merger of Ghari Industries Private Limited and Rohit Surfactant Private Limited (now RSPL Limited) effective from April 01, 2006.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

14. Borrowings (at amortised cost)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Debentures (secured)			
9.20% non-convertible debentures (refer note 43)	**20,000.00**	-	-
Total (A)	**20,000.00**	**-**	**-**
Term loan from banks (secured)			
Foreign currency loans	**26,674.00**	24,373.25	29,459.28
Indian rupee loans	**8,057.83**	8,499.68	-
	34,731.83	**32,872.93**	**29,459.28**
Loan from others (unsecured)			
Finance lease obligation (refer note 32)	**60.28**	60.28	60.28
Total (B)	**34,792.11**	**32,933.21**	**29,519.56**
Current maturities of long-term borrowings (shown as other current liabilities)			
Foreign currency loans from banks	**(6,533.10)**	(8,165.74)	(6,437.67)
Indian rupee loans from banks	**(2,500.00)**	(2,000.00)	-
Total (C)	**(9,033.10)**	**(10,165.74)**	**(6,437.67)**
Total non-current borrowings (A+B+C)	**45,759.01**	**22,767.47**	**23,081.89**
Current			
Secured			
Cash credit from banks	**13,047.73**	9,581.40	1,554.84
Bank overdraft	**9,560.29**	8,486.15	11,251.84
Working capital demand loan	**5,000.95**	-	-
Unsecured			
Commercial papers	**19,702.06**	-	-
Buyers credit	**8,526.86**	-	991.45
Loans from directors and their relatives	**171.97**	675.41	70.41
Total current borrowings	**56,009.86**	**18,742.96**	**13,868.54**
Aggregate secured loans	**73,307.70**	40,774.74	35,828.29
Aggregate unsecured loans	**28,461.17**	735.69	1,122.14

14. Borrowings (at amortised cost)

Terms of borrowings:

Foreign currency loan from banks

(i) Foreign currency loan of USD 200 lakh (outstanding as on March 31, 2017 USD Nil, March 31, 2016 USD 25 lakh, April 1, 2015 USD 75 lakh) from Standard Chartered Bank carried interest LIBOR plus 2.15% as per the terms of loan agreement. The loan was repayable in 16 quarterly

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

installments of USD 12.5 lakh each, commencing from October 11, 2012. The loan was secured by:— i) Equitable mortgage over the immovable fixed assets of the Company at Haridwar unit. ii) All present and future of the movable properties of the Company including without limitation its movable plant and machinery, furniture and fittings, equipment, computers hardware, computer software, machinery spares, tools and accessories and other movables at Haridwar unit and Jaisalmer unit, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Company's agents, affiliates, associates or representatives or at various worksites or at any up country place or places or wherever else the same may be or be held by any party. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

The Company had entered into cross currency interest rate swap whereby the Company received a applicable floating rate of interest and paid interest at a fixed rate on an amount converted in INR at a strike rate and received prevailing INR/ USD rates on date of settlement.

(ii) Foreign currency loan of USD 200 lakh availed in two tranches of USD 100 lakh each on March 2014 and October 2014 respectively (USD Nil outstanding as on March 31, 2017, USD 158.82 lakh as on March 31, 2016 and USD 194.18 as on April 1, 2015) from Standard Chartered Bank carried interest @ LIBOR plus 2.25% as per the terms of loan agreement. Each tranche was repayable in 17 quarterly installments of USD 5.88 lakh each, commencing from March 27, 2015 and from October 30, 2015 for respective tranches. The loan was secured by: i) First and exclusive charge over Company's land and building located at Greater Noida and Haridwar unit. ii) All movable properties of the Company on first and exclusive charge basis including without limitation its movable plant and machinery, furniture and fittings, equipment, computers hardware, computer software, machinery spares, tools and accessories and other movables at Greater Noida Unit and Jamnagar Unit, both whether lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Company's agents, affiliates, associates or representatives or at various worksites or at any up country place or places wherever else the same may be or be held by any party. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman}.

(iii) Foreign currency loan includes loan taken from Citi bank of USD 140 lakh (outstanding as on March 31, 2017 USD 140 lakh, March 31, 2016 USD Nil, April 1, 2015 Nil) on July 29, 2016, carrying interest @ LIBOR plus 1.20% as per the terms of loan agreement. The loan is repayable in 16 quarterly installments of USD 8.75 lakh each, commencing from November 30, 2017.

Foreign currency loan of USD 200 lakh (USD 130.50 lakh outstanding as on March 31, 2017, previous year USD 180.50 lakh) from Citi Bank carries interest @ LIBOR plus 1.85% as per the terms of loan agreement. The loan is repayable in 4 quarterly installments of USD 6.50 lakh each, commencing from August 27, 2015, and 12 quarterly installments of USD 14.50 lakh each, commencing from August 27, 2016. The loan is secured by:

i) First exclusive charge by way of equitable mortgage on land & building located at
   a. Factories - Unit 1 to Unit IV in Dhar,
   b. Plot at Aurangabad
   c. Factories at Dev Bhoomi industrial estate, Roorki, Haridwar
   d. Factories at Rania, Uttar Pradesh

ii) Exclusive charge on company's plant & machinery at:
   a. Factories - Unit 1 to Unit IV in Dhar,
   b. Plot at Aurangabad

(Amount in INR lakh, unless otherwise stated)

c. Factories at Dev Bhoomi industrial estate, Roorki, Haridwar

d. Factories at Rania, Uttar Pradesh

e. Wind farm located at Tamil Nadu.

iii) First exclusive charge on the 45.00 lakh units of HDFC FMP 371-D – June 2014 (3) Series 31 - Regular - Growth, 72.02 lakh units of Kotak Income Opportunity Fund - Regular Plan - Growth, 2.50 lakh units of SBI Ultra Short Term Debt Fund - Regular Plan - Growth.

(iv) Foreign currency loan of USD 135.29 lakh (outstanding as on March 31, 2017 USD 135.29 lakh, March 31, 2016 USD Nil, April 1, 2015 Nil) from Standard Chartered Bank carries interest @ LIBOR plus 1.50% as per the terms of loan agreement. The loan is repayable in 17 quarterly installments of USD 7.96 lakh each, commencing from September 27, 2017. The loan is covered by foreign currency swap with premium of 3.75% p.a. repayable in quarterly installments.

The loan is secured by:

i) First and exclusive charge on all present and future movable properties including without limitation its movable plant and machinery, furniture and fittings, equipment, computer hardwares, computer software, machinery spares, tools and accessories and other movables at:

- Plot No. 3A, 6 and 7 Industrial Area, IIE BHEL, Sector 3, Ranipur, Haridwar district, Uttaranchal
- Plot No. 4, Udyog Vihar, Ecotech - 02 Greater Noida Industrial development area, District - Gautam Budh Nagar, Uttar Pradesh
- Site- Sammana, Village - Naga Gaon, kalavad, District-Jamnagar, Gujarat.

(v) For borrowing mentioned in point (ii) to (iv) above, the Company has also entered into currency options and Interest rate swap agreement whereby the Company receives applicable floating rate of interest and pays interest at a fixed rate. The swap is being used to hedge the exposure to changes in the fair value of its floating rate external commercial borrowing and currency option is being used to convert loan at a strike rate upto a cap limit.

Indian rupee term loan

(vi) Indian Rupee loan of INR 10,000 lakh (outstanding as on March 31, 2017 INR 6,499.68 lakh, March 31, 2016 INR 8,499.68 lakh, April 1, 2015 INR Nil) from State Bank of India carries interest @ Base Rate plus 0.55% (ranging from 8.55% to 9.85%) as per the terms of Arrangement Letter. The loan is repayable in 14 quarterly installments of INR 500.00 lakh each, commencing from September 31, 2015, and 3 quarterly installments of INR 1,000.00 lakh each, commencing from March 31, 2019. The loan is secured by collateral security having written down value of fixed assets at least 125% of loan amount instead of extension of charge on assets created out of the loan amount. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

(vii) Indian Rupee loan of INR 2,500 lakh (outstanding as on March 31, 2017 INR 1,558.15 lakh, March 31, 2016 INR Nil, April 1, 2015 INR Nil) from State Bank of India carries interest @ Base Rate plus 0.55% (ranging from 8.55% to 9.85%) as per the terms of Arrangement Letter. The loan is repayable in 20 quarterly installments of INR 125.00 lakh each, commencing from June 30, 2017. The loan is secured by first charge on fixed assets (present or future) at Plot no. E-5, Site - V, UPSIDC, Greater Noida, owned by the Company. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

Debentures

(viii) The Company has issued non-convertible debentures (NCDs) on October 14, 2016. NCDs have been listed on National stock exchange (NSE). It carries interest rate of 9.20% p.a. and redeemable after 10

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

years. The Debenture is secured by all the movable and immovable properties situated at the following locations:

i) Wind mills power projects of the Company situated at Barora Ganv, Taluk Jaisalmer, District Jaisalmer, Rajasthan.

ii) Wind mills situated at Jirkan village, post - Badvan district Mandsaur and Jagoti village , Tehsil Mehidpur, District Ujjain, Madhya pradesh.

iii) Plot no. 42-46 and 49-53, MPAKVN Growth centre, Sidhgawan, Sagar, Madhya Pradesh.

iv) Village and post - Bithauli, P.S. Bhagwanpur, District - Vaishali, Bihar

Cash credit and Working capital demand loan

(ix) The Company has availed cash credit facility and working capital demand loan facility from various banking institutions of INR 18,048.68 lakh (March 31, 2016 INR 9,581.40 lakh, April 1, 2015 INR 1,554.84) and they carry interest rate from ranging from 8.35% p.a to 9.65% p.a as per terms of arrangement letter. The loan is secured by:

i. 1st charge on pari passu basis with multiple banking arrangement over entire current assets (present and future) of the company consisting of raw material, stock in process, finished goods, stores & spares, goods in transit, book debts and all other current assets.

ii. Charge on the 122.11 lakh units of Birla Sunlife Corporate Bond Fund - Growth Regular, 19.43 lakh units of DSP Blackrock Income Opportunity Fund, 48.38 lakh units of HDFC Corporate Debt opportunity Fund – Regular Growth, 20.33 lakh units of ICICI prudential Corporate Bond Fund - Direct Plan – Growth, 100 lakh units of ICICI Prudential FMP Series 77 - 1100 Days Plan M Cumulative, 28.83 lakh units of Kotak Income Opportunity Fund - Direct Plan – Growth, 39.92 lakh units of SBI Corporate Bond Fund - Direct Plan – Growth, 62.69 lakh units of SBI Short Term Debt Fund - Direct Plan, 42.33 lakh units of UTI - Income Opportunity Fund - Direct Plan – Growth and 250 lakh units of UTI Fixed term income fund series XXII-VI (1098 days).

Bank Overdraft

(x) The Company has availed overdraft facilities from various banking institutions of INR 9,560.29 lakh (March 31, 2016 INR 8,486.15 lakh, April 1, 2015 INR 11,251.84) and they carry interest rate ranging from 7.50% p.a to 9.50% p.a as per terms of arrangement letter. The overdraft facilities are secured by pledge of fixed deposits.

Commercial papers

(xi) The Company has issued commercial papers (unsecured) during the year to banking institutions & mutual fund companies and carrying value as at March 31, 2017 was INR 19,702.06 lakh (March 31, 2016 Nil, April 1, 2015 Nil) bearing interest rate of ranging from 6.45% p.a. to 7.75% p.a. The commercial papers are repayable by June, 2017.

Buyers credit

(xii) The Company has taken buyers credit facility from banks and other financial institutions amounting to INR 8,526.86 lakh as on March 31, 2017 (March 31, 2016 Nil, April 1, 2015 INR 991.45 lakh) bearing interest rate ranging from 1.01% p.a. to 1.41% p.a and the same are unsecured in nature and repayable during the period from April 24, 2017 to June 23, 2017.

Loans from directors and their relatives

(xiii) The Company has taken loan from directors and their relatives amounting to INR 171.97 lakh as on March 31, 2017 (March 31, 2016 INR 675.41 lakh, April 1, 2015 INR 70.41 lakh) bearing interest rate of 9.00% p.a. and the same are unsecured in nature and repayable on demand.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

15. Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Provision for employee benefits			
Provision for gratuity (refer note 31)	**1,616.10**	846.35	430.70
Provision for leave benefits	**843.00**	677.46	407.11
Total	**2,459.10**	**1,523.81**	**837.81**
Current			
Provision for employee benefits			
Provision for gratuity (refer note 31)	**96.84**	28.92	58.76
Provision for leave benefits	**155.10**	7.97	50.74
Total (A)	**251.94**	**36.89**	**109.50**
Other provisions			
Provision for contingencies	**160.50**	150.00	150.00
Provision for wealth tax	**8.50**	8.50	8.50
Total (B)	**169.00**	**158.50**	**158.50**
Total (A + B)	**420.94**	**195.39**	**268.00**

Movement in provisions

Particulars	Provision for contingencies	Provision for wealth tax	Total
At April 01, 2015	**150.00**	8.50	158.50
Arising during the year	**-**	-	-
Utilised during the year	**-**	-	-
Unused amounts reversed	**-**	-	-
At March 31, 2016	**150.00**	**8.50**	**158.50**
Addition during the year (refer note 43)	**10.50**	-	10.50
Utilised during the year	**-**	-	-
Unused amounts reversed	**-**	-	-
At March 31, 2017	**160.50**	**8.50**	**169.00**

16. Income Tax

The major components of income tax expense for the years ended March 31, 2017 and March 31, 2016 are:

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current income tax charge	**13,439.85**	19,000.00
Income tax adjustment related to earlier years	**489.73**	1.53
Deferred tax:		
Relating to origination and reversal of temporary differences	**(226.28)**	679.96
Income tax expense reported in the statement of profit or loss	**13,703.30**	**19,681.49**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Net loss/(gain) on remeasurements of defined benefit plans	**65.45**	(8.29)
Income tax charged to OCI	**65.45**	**(8.29)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2016:

Particulars	March 31, 2017	March 31, 2016
Accounting profit before income tax	**44,315.26**	**58,171.48**
At India's statutory income tax rate of 34.608% (March 31, 2016: 34.608%)	**15,336.63**	20,131.99
Adjustments:		
Permanent difference on account of following:		
- Expenses not allowed under Income tax act	**203.46**	1,255.83
- Income not taxable under Income tax act	**(515.16)**	-
- Tax incentives given under Income tax act	**(1,811.35)**	(1,707.86)
Tax related to earlier periods	**489.73**	1.53
At the effective income tax rate of 30.92% (March 31, 2016: 33.83%)	**13,703.30**	**19,681.49**
Income tax expense reported in the statement of profit and loss	**13,703.30**	**19,681.49**

Deferred tax:

	Balance Sheet		
Particulars	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 01, 2015**
Deferred tax relates to the following:			
Impact of difference between tax and depreciation/ amortization charged for the financial reporting	**(7,377.75)**	(5,933.76)	(4,900.09)
Post-employment benefits	**938.24**	540.12	339.52
Expenses allowable for tax purposes on payment basis	**1,001.38**	812.21	471.22
Subsidy from Government	**1,137.45**	392.54	-
Fair value adjustments of investments	**(774.39)**	(917.38)	(420.54)
Provision for doubtful debts and advances	**395.84**	449.64	-
Others	**(287.74)**	(602.07)	(60.57)
Net deferred tax assets / (liabilities)	**(4,966.97)**	**(5,258.70)**	**(4,570.46)**

Statement of profit and loss

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Deferred tax relates to the following:		
Impact of difference between tax and depreciation/amortization charged for the financial reporting	**(1,443.99)**	(1,033.67)
Post-employment benefits	**398.12**	200.60
Expenses allowable for tax purposes on payment basis	**189.17**	340.99
Subsidy from Government	**744.91**	392.54
Fair value adjustments of Investments	**142.99**	(496.84)
Provision for doubtful debts	**(53.80)**	449.64
Other	**314.33**	(541.50)
Net deferred tax assets / (liabilities)	**291.73**	**(688.24)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Reflected in the balance sheet as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deferred tax assets	**3,472.91**	2,194.51	810.74
Deferred tax liabilities	**(8,439.88)**	(7,453.21)	(5,381.20)
Deferred tax liabilities (net)	**(4,966.97)**	**(5,258.70)**	**(4,570.46)**

Reconciliation of deferred tax liabilities (net):

Particulars	March 31, 2017	March 31, 2016
Opening balance	**(5,258.70)**	(4,570.46)
Tax income/(expense) during the year recognised in profit or loss	**357.18**	(696.53)
Tax income/(expense) during the year recognised in OCI	**(65.45)**	8.29
Closing balance	**(4,966.97)**	**(5,258.70)**

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

During the year ended March 31, 2017, the Company has paid interim dividend to its shareholders. This has resulted in payment of Dividend distribution tax (DDT) to the taxation authorities. The Company believes that Dividend distribution tax (DDT) represents additional payment to taxation authority on behalf of the shareholders. Hence, Dividend distribution tax (DDT) paid is charged to equity.

17. Trade payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current			
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 44)	**45,291.24**	43,876.09	39,252.82
Total outstanding dues of micro enterprises and small enterprises	**208.03**	115.87	440.28
Total	**45,499.27**	**43,991.96**	**39,693.10**

Note: Refer note 39 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30 to 60 days terms except partial advance payment to major raw material vendors
- For terms and conditions with related parties, refer to Note 33 (C).
- For explanations on the Company's credit risk management processes, refer to Note 37.

18. Other current financial liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current			
Payables on purchase of fixed assets	**11,809.29**	579.61	70.80
Interest accrued but not due on borrowings	**1,372.11**	165.37	413.72
Book overdraft	**218.57**	5.79	-
Current maturities of long term loans (refer note 14)	**9,033.10**	10,165.74	6,437.67
Total	**22,433.07**	**10,916.51**	**6,922.19**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Terms and conditions of the above financial liabilities:

- Payable to capital creditors are non-interest bearing and are settled as per the terms of purchase orders that are less than twelve months.
- For explanations on the Company's credit risk management processes, refer to Note 37.

19. Other current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current			
Advance from dealers*	**9,887.28**	14,716.94	19,588.35
Deferred subsidy related to government grant (refer note below)	**339.37**	216.75	-
Statutory liabilities #	**2,855.87**	3,395.16	3,870.48
Total (A)	**13,082.52**	**18,328.85**	**23,458.83**
Non-Current			
Deferred subsidy related to government grant (refer note below)	**9,282.10**	3,046.01	-
Total (B)	**9,282.10**	**3,046.01**	**-**
Total (A + B)	**22,364.62**	**21,374.86**	**23,458.83**

* Represents non-interest bearing advances received from customers against confirmed orders.

Statutory liabilities mainly pertains to TDS, PF, ESIC, excise duty, sales tax and other taxes payable.

Movement of Government Grant (refer note 46)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Opening balance	**3,262.76**	-	
Sanctioned during the year	**2,887.66**	5,052.06	-
Remaining eligibility	**6,334.79**	-	-
Released to the statement of profit and loss	**2,863.74**	1,789.30	-
Closing balance	**9,621.47**	**3,262.76**	**-**
Current	**339.37**	216.75	-
Non-current	**9,282.10**	3,046.01	-

20. Current tax liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current tax liabilities			
Provision for income tax (net of advance tax)	**990.75**	7,529.49	882.67
Total	**990.75**	**7,529.49**	**882.67**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

21. Revenue from operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of products (Including excise duty)		
Finished goods	**441,379.10**	462,199.60
Total (A)	**441,379.10**	**462,199.60**
Other operating revenue		
Raw material / By-products	**2,173.11**	1,597.80
Power	**3,887.22**	1,781.99
Others	**1,011.78**	1,048.96
Total (B)	**7,072.11**	**4,428.75**
Total (A + B)	**448,451.21**	466,628.35

Note : Excise duty collected from customers included in sale of products amounted to ₹ 47,596.71 lakh (March 31, 2016 : ₹ 49,594.45 lakh). Sales of product net of excise duty is ₹ 393,782.39 lakh (March 31, 2016: ₹ 412,605.15 lakh).

22. Other income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income on financial assets carried at amortised cost:		
- Bank deposits	**347.27**	1,377.89
- Current investments	**-**	287.76
- Loan to subsidiary	**221.35**	253.67
- Others	**85.74**	7.34
	654.36	**1,926.66**
Net gain / (loss) on instruments at fair value through profit and loss		
- Fair value gain on investments	**1,429.48**	1,471.71
- Dividend income on current investments	**154.13**	33.06
- Profit on sale of investments	**1,825.38**	1,577.42
- Fair value gain / (loss) on derivative instruments	**1,633.70**	362.85
	5,042.69	**3,445.04**
Other non-operating income		
- Profit on sale of property, plant and equipments (net)	**23.26**	-
- Government grant (refer note 46)	**2,863.74**	1,789.30
- Miscellaneous Income	**504.89**	435.50
	3,391.89	**2,224.80**
Total	**9,088.94**	**7,596.50**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

23. Cost of raw material and component consumed

a. Raw material and components consumed

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the beginning of the year	**23,490.84**	20,132.58
Add: Purchases	**285,106.58**	283,174.09
	308,597.42	**303,306.67**
Less: Inventory at the end of the year	**(36,721.45)**	(23,490.84)
Net consumption	**271,875.97**	**279,815.83**

b. Increase in inventories of finished goods, work-in-progress and others

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the end of the year		
Finished goods	**16,429.19**	15,773.71
Work in progress	**7,264.85**	5,548.81
Others	**681.64**	104.61
Inventory at the beginning of the year		
Finished goods	**(15,773.71)**	(12,161.16)
Work in progress	**(5,548.81)**	(4,183.32)
Others	**(104.61)**	(92.67)
Excise duty on increase of finished goods	**(484.33)**	(51.24)
Net change	**2,464.22**	**4,938.74**

24. Employee benefits expense (refer note 45(ii))

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages and bonus	**20,504.40**	17,860.40
Contribution to provident fund and other funds (refer note 31)	**1,797.37**	1,615.03
Gratuity expense (refer note 31)	**648.56**	467.12
Staff welfare expenses	**814.28**	950.03
Total	**23,764.61**	**20,892.58**

25. Depreciation and amortization expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on property, plant and equipment (refer note 3 (a))	**7,523.66**	6,382.36
Amortisation on intangible assets (refer note 4 (a))	**94.54**	159.50
Total	**7,618.20**	**6,541.86**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

26. Other expenses (refer note 45(2))

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Advertisement	**12,289.85**	13,715.04
Donations	**55.14**	111.29
CSR expenditure (refer details below)	**479.31**	256.73
Royalty	**447.04**	536.20
Directors remuneration	**4,412.31**	3,915.69
Exchange differences (net)	**962.11**	376.77
Freight and forwarding charges	**12,079.82**	12,451.37
Fixed assets written off	**-**	26.23
Insurance	**296.63**	265.40
Legal and professional fees	**1,217.30**	701.09
Loss on sale of fixed assets (net)	**-**	2.36
Loss on investments	**6.25**	-
Postage, telegram and telephone	**409.37**	346.31
Power and fuel	**6,627.27**	6,982.47
Printing and stationery	**223.98**	320.51
Balances written off	**67.86**	-
Provision for doubtful loans and advances	**174.42**	147.65
Provision for doubtful receivables	**17.94**	2.08
Payment to auditor (refer details below)	**175.00**	20.00
Provision for unpaid liabilities	**97.10**	-
Rates and taxes	**1,531.25**	1,652.53
Rent	**874.02**	733.07
Repairs and maintenance		
- Buildings	**430.54**	524.95
- Plant and machinery	**7,867.62**	6,819.36
- Others	**6.65**	398.44
Sales promotion	**4,064.84**	4,175.75
Travelling and conveyance	**3,433.75**	3,041.83
Contract labour	**2,984.31**	2,592.00
Miscellaneous expenses	**438.76**	429.26
Total	**61,670.44**	**60,544.38**

Payment to auditors:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
As auditor:		
Audit fee	**115.00**	20.00
For other services	**60.00**	-
	175.00	**20.00**

Details of CSR expenditure:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Gross amount required to be spent by the Company during the year	**834.85**	669.04
Particulars	**In Cash**	**In Cash**
(b) Amount spent for the year		
(i) Construction/acquisition of asset	**199.87**	-
(ii) on purposes other than (i) above	**279.44**	256.73
Balance amount required to be spent	**355.54**	**412.31**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

27. Finance costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expenses:		
- Interest expenses on borrowings (refer note 45(i))	**2,976.49**	3,241.59
- To directors and their relatives	**47.57**	125.93
- To others	**16.46**	157.60
Other finance charges	**122.66**	77.89
Total	**3,163.18**	**3,603.01**

28. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2017:

Particulars	Retained earnings	Total
Re-measurement loss / (gain) on defined benefit plans	**189.12**	189.12
Income tax effect	**(65.45)**	(65.45)
Total	**123.67**	**123.67**

During the year ended March 31, 2016:

Particulars	Retained earnings	Total
Re-measurement (gain) / loss on defined benefit plans	**(23.94)**	(23.94)
Income tax effect	**8.29**	8.29
Total	**(15.65)**	**(15.65)**

29. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations :

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit attributable to equity holders of the parent	**30,611.96**	38,489.99
Weighted average number of equity shares used for computing Earning Per Share (Basic and Diluted)	**44,032,500**	44,032,500
Basic and Diluted Earning Per Share (INR)	**69.52**	**87.41**
Face value per share (INR)	**10.00**	**10.00**

Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share:

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of INR 10 per share:		
As at April 1, 2015	**44,032,500**	44,032,500
Issued during the year 2015-16	**-**	-
As at March 31, 2016	**44,032,500**	44,032,500
Issued during the year 2016-17	**-**	-
As at March 31, 2017	**44,032,500**	**44,032,500**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

30. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Also pursuant to requirements of Ind-AS 17, Company has assessed straight lining of lease rentals where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. However, no adjustments has been done based on such assessment.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

b) Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

c) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity is given in Note 31.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 and 36 for further disclosures.

e) Impairment of financials assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

f) Contingencies

Contingent liabilities may arise from ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more future events occur or failed to occur. The assessment of existence and potential quantum of contingencies inherently involves exercise of significant judgement and use of estimates regarding the outcome of future events. Accordingly, the Company has created a provision of ₹ 160.50 lakh (March 31, 2016 : ₹ 150 lakh, April 1, 2015 : ₹ 150 lakh).

31. Employee benefit plans

Defined Contribution Plans

Retirement benefits in the form of provident fund and national pension scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund.

Defined Benefit Plans

Gratuity: The Company has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company in the form of qualifying insurance policy.

Each year, the management reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The management decides its contribution based on the results of this annual review.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

The Company is maintaining a fund with the State Bank of India (SBI) to meet its gratuity liability. The present value of the plan assets represents the balance available with the SBI as at the end of the year. The total value of plan assets is as certified by the SBI.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Defined benefit obligation at the beginning of the year	**2,113.78**	1,610.86	1,179.98
Current service cost	**590.69**	428.73	339.62
Interest cost	**155.59**	129.22	92.03
Benefits paid	**(78.45)**	(31.09)	(30.09)
Actuarial (gain)/ loss on obligations - OCI	**189.12**	(23.94)	29.32
Defined benefit obligation at the end of the year	**2,970.73**	**2,113.78**	**1,610.86**

Changes in the fair value of plan assets are as follows:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Fair value of plan assets at the beginning of the year	**1,238.51**	1,121.40	961.00
Contribution by employer	**-**	51.75	102.66
Benefits paid	**(78.45)**	(31.09)	(30.09)
Interest Income	**92.90**	90.83	75.92
Return on plan assets excluding Interest Income	**4.83**	5.62	11.91
Fair value of plan assets at the end of the year	**1,257.79**	**1,238.51**	**1,121.40**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Fair value of plan assets	**1,257.79**	1,238.51	1,121.40
Defined benefit obligation	**2,970.73**	2,113.78	1,610.86
Amount recognised in the Balance Sheet	**1,712.94**	**875.27**	**489.46**

Amount recognised in Statement of Profit and Loss:

Particulars	March 31, 2017	March 31, 2016
Current service cost	**590.69**	428.73
Net interest expense	**57.87**	38.39
Amount recognised in Statement of profit and loss	**648.56**	**467.12**

Amount recognised in Other Comprehensive Income:

Particulars	March 31, 2017	March 31, 2016
Actuarial (gain)/ loss on obligation	**189.12**	(23.94)
Return on Plan Assets excluding Interest Income	**(4.83)**	(5.62)
Amount recognised in Other Comprehensive Income	**184.29**	**(29.56)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Discount rate	**7.5%**	8.10%	7.90%
Future salary increases	**5.00% p.a. for workers**	5.00% p.a. for workers	5.00% p.a. for workers
	10.00% p.a. for staff	10.00% p.a. for staff	10.00% p.a. for staff
Mortality rate	**IALM (2006-08)**	IALM (2006-08)	IALM (2006-08)

A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

Gratuity Plan	Sensitivity level		Impact on DBO	
Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2017**	**March 31, 2016**
Assumptions				
Discount rate	**0.5%**	0.50%	**2,727.96**	193.91
	-0.5%	-0.50%	**324.24**	23.09
Future salary increases	**0.5%**	0.50%	**3,223.56**	229.93
	-0.5%	-0.50%	**274.00**	19.45
Attrition rate	**0.5%**	0.50%	**2,962.05**	210.81
	-0.5%	-0.50%	**297.95**	21.20
Mortality Rate	**10.0%**	10.0%	**2,968.81**	211.29
	-10.0%	-10.0%	**297.27**	21.15

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year. Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2017	March 31, 2016
Within the next 12 months (next annual reporting year)	**100.41**	30.06
Between 2 and 5 years	**257.68**	187.25
Between 6 and 10 years	**601.60**	465.74
Total expected payments	**959.69**	**683.05**

32. Commitments and Contingencies

A. Commitments

Capital commitment	March 31, 2017	March 31, 2016	April 01, 2015
Estimated value of contracts in capital account remaining to be executed (net of advance)	**155,664.63**	114,256.22	2,208.82
Total	**155,664.63**	**114,256.22**	**2,208.82**

B. Operating leases

The Company has entered into commercial leases on certain immovable property. These leases have different life period ranging from one to ninety nine years with separate escalation clauses between 5 to 10% p.a. There are no restrictions placed upon the company by entering into these leases and there are no sub leased. There are no contingent rents.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

The Company has paid INR 853.88 lakh (March 31, 2016: INR 709.34 lakh) during the year towards lease payment.

Future minimum rentals payable under non-cancellable operating leases as at March 31 are as follows:

Particulars	March 31, 2017	March 31, 2016
Within one year	**5.58**	1.35
After one year but not more than five years	**63.22**	16.33
More than five years	**19.45**	4.38

C. Finance lease commitments

The Company has finance lease of land parcels. The Company's obligation under the finance lease are secured by lessor's title to leased assets. Future minimum lease payments under finance leases together with present value of minimum lease payments are, as follows:

	March 31, 2017	
Particulars	**Minimum lease payments**	**Present value of MLP**
Not later than one year	**6.96**	**6.24**
Later than one year but not later than five years	**27.85**	**19.14**
Later than five years	**505.85**	**34.90**
Total minimum lease payments	**540.66**	**60.28**
Less: amounts representing finance charges	**480.38**	**-**
Present value of minimum lease payments	**60.28**	**60.28**

	March 31, 2016	
Particulars	**Minimum lease payments**	**Present value of MLP**
Not later than one year	6.96	6.24
Later than one year but not later than five years	27.85	19.14
Later than five years	512.82	34.90
Total minimum lease payments	**547.63**	**60.28**
Less: amounts representing finance charges	487.35	-
Present value of minimum lease payments	**60.28**	**60.28**

	April 01, 2015	
Particulars	**Minimum lease payments**	**Present value of MLP**
Not later than one year	6.96	6.24
Later than one year but not later than five years	27.85	19.14
Later than five years	519.78	34.90
Total minimum lease payments	**554.59**	**60.28**
Less: amounts representing finance charges	494.31	-
Present value of minimum lease payments	**60.28**	**60.28**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

D. Contingent liabilities

Claims against the Company not acknowledged as debts:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Sales tax matters	**433.17**	1,028.18	461.11
Excise duty and service tax matters	**388.53**	187.47	284.83
Income tax matters	**76.05**	34.73	34.73

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipts of judgements/ decisions pending from various forum/ authorities.

Sales tax, Excise and Service tax matters

The Company's pending litigation comprises of claims against the Company pertaining to proceeding pending with excise, sales tax/VAT and other authorities on account of certain disallowances. The Company has reviewed all its pending litigation and proceedings and has adequately provided for where provision are required and disclosed as contingent liability, where ever applicable, in its financial statements. Based on experts advice, the company is confident that the matter will be resolved in its favour.

Income tax matters

During the previous years, the department has disallowed certain expenses giving rise to a demand of INR 34.73 lakh in respect of assessment year 2004-05, against which the Company had filled appeal with CIT(A). CIT(A) passed the order restricting the disallowances against which department filled an appeal with ITAT. The matter is pending with ITAT. Amount relating to March 31, 2017 34.73 lakh, March 31, 2016 ₹ 34.73 lakh, April 1 2015 ₹ 34.73 lakh.

During the current year, the department has disallowed certain expenses giving rise to a demand of INR 41.32 lakh in respect of assessment year 2013-14, against which the Company had filled appeal with CIT(A). The matter is pending with CIT(A). Amount relating to March 31, 2017 41.32 lakh, March 31, 2016 ₹ nil, April 1 2015 ₹ nil.

Based on experts advice, the company is Confident that the matter will be resolved in its favour.

33. Related party transactions

A. Name of related party and relationship

Subsidiary Companies

RSPL Health Private Limited

Step-down subsidiary Companies

RSPL Health BD Limited

RSPL HH BD Limited (Liquidated on 28th July 2015)

Key Management Personnel

Mr. Murli Dhar	Executive Chairman
Mr. Bimal Kumar	Managing Director
Mr. Rahul Gyanchandani	Joint Managing Director
Mr. Manoj Kumar	Whole Time Director
Mr. Rohit Gyanchandani	Whole Time Director
Mr. Tara Chand	Whole Time Director (upto December 31, 2016)
Mr. Naresh Kumar Phoolwani	Whole Time Director (appointed w.e.f. January 01, 2017)
Mr. Sushil Kumar Bajpai	Company Secretary and Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Others (Non-Executive)

Mrs. Kamla Devi	Non-executive Director
Dr. R.P. Singh	Independent Director
Dr. J.N. Gupta	Independent Director
Mrs. Renuka Gulati	Independent Director

Enterprises in which Key Management personnel, others (non-executive) or their relatives have control/ significant influence

Rene Solutions

Leayan Global Private Limited

H D Wires Private Limited

Nirnmi Build Tech Private Limited

Manoj Developers & Infrastructure Private Limited

Ghari Industries (India) Private Limited

Rahul Realtors & Developers Private Limited

Gyanchandani Housing & Infrastructures Private Limited

True Value IT Applitech Private Limited

Namastey India Microfinance Private Limited

NIF Private Limited

Rohit Real Estate Private Limited

Mansys Marketing Private Limited

Ratan Colonisers Private Limited

Omni Farms Private Limited

Relatives of Key Managerial Personnel

Mrs. Seema Gyanchandani	Wife of Mr. Rahul Gyanchandani
Mrs. Rajani Gyanchandani	Wife of Mr. Manoj Kumar
Mrs. Shivani Arora	Wife of Mr. Rohit Gyanchandani

A body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager

Laxmi Devi Dayal Das Charitable Trust

RSPL Welfare Foundation

RSPL Limited employees gratuity trust

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of Goods	RSPL Health BD Limited	**381.86**	338.42
	Leayan Global Private Limited	**1.14**	1.28
	Laxmi Devi Dayal Das Charitable Trust	**-**	0.23
	NIF Private Limited	**11.86**	18.80

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of Fixed Asset	RSPL Health Private Limited	**5.80**	-
	RSPL Health BD Limited	**-**	12.73
	Nimmi Buildtech Private Limited	**9.76**	-
	NIF Private Limited	**4.26**	-
Sale of services	RSPL Health Private Limited	**-**	-
	NIF Private Limited	**49.26**	0.27
	Leayan Global Private Limited	**34.24**	-
Purchase of Goods	NIF Private Limited	**17.29**	11.48
	Leayan Global Private Limited	**-**	0.60
Purchase of Fixed Asset	Leayan Global Private Limited	**9.82**	-
	Mr. Murli Dhar	**-**	75.00
	Mr. Bimal Kumar	**-**	75.00
	Mr. Rohit Gyanchandani	**-**	150.00
	Mrs. Kamla Devi	**-**	150.00
Rent Received	RSPL Health Private Limited	**0.36**	0.61
	Leayan Global Private Limited	**17.16**	15.90
	NIF Private Limited	**7.30**	8.29
	Laxmi Devi Dayal Das Charitable Trust	**0.60**	0.60
Rent Paid	Mr. Murli Dhar	**9.00**	10.50
	Mr. Bimal Kumar	**22.20**	23.10
	Mr. Manoj Kumar	**20.90**	22.56
	Mr. Rohit Gyanchandani	**12.20**	17.46
	Mrs. Kamla Devi	**-**	3.00
	Mr. Rahul Gyanchandani	**11.70**	11.46
	Mrs. Seema Gyanchandani	**14.40**	13.20
Royalty Paid	RSPL Health Private Limited	**442.61**	536.20
Donation Paid	Laxmi Devi Dayal Das Charitable Trust	**131.00**	90.00
	RSPL Welfare foundation	**-**	45.00
Commission C&F paid	Rene Solutions	**95.36**	100.75
Sales Promotion expenses paid	Rene Solutions	**181.73**	54.08
Reimbursement of travelling expenses	Rene Solutions	**2.95**	8.34
Remuneration paid to key Managerial Personnel and others	Mr. Murli Dhar	**498.00**	96.00
	Mr. Bimal Kumar	**498.00**	96.00
	Mr. Rahul Gyanchandani	**390.00**	60.00
	Mr. Manoj Kumar	**390.00**	60.00
	Mr. Rohit Gyanchandani	**390.00**	60.00
	Mr. Tara Chand	**9.49**	8.24
	Mr. Naresh Kumar Phoolwani	**0.85**	-
	Mr. Sushil Kumar Bajpai	**53.35**	33.68
	Mrs. Renuka Gulati	**1.60**	0.25
	Dr. J.N. Gupta	**2.40**	1.25
	Mr. R.P. Singh	**1.80**	1.45

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
Commission paid	Mr. Murli Dhar	**446.03**	706.50
	Mr. Bimal Kumar	**446.03**	706.50
	Mr. Rahul Gyanchandani	**446.03**	706.50
	Mr. Manoj Kumar	**446.03**	706.50
	Mr. Rohit Gyanchandani	**446.03**	706.50
Dividend Paid	Mr. Murli Dhar	**580.50**	1,277.10
	Mr. Bimal Kumar	**550.40**	1,210.88
	Mr. Rahul Gyanchandani	**330.25**	726.55
	Mr. Manoj Kumar	**330.25**	726.55
	Mr. Rohit Gyanchandani	**330.25**	726.55
	Mrs. Kamla Devi	**65.93**	145.04
	Mrs. Rajani Gyanchandani	**14.05**	30.91
Expenses reimbursed by RSPL Ltd. for them	Leayan Global Private Limited	**0.33**	-
	NIF Private Limited	**4.89**	17.62
	RSPL Health Private Limited	**-**	1.13
	HD Wires Private Limited	**-**	0.27
	Mr. Murli Dhar	**-**	7.38
	Mr. Bimal Kumar	**-**	9.73
	Mr. Rahul Gyanchandani	**-**	20.61
	Mr. Manoj Kumar	**-**	7.38
	Mr. Rohit Gyanchandani	**-**	34.64
	Mrs. Kamla Devi	**-**	10.19
	Mrs. Seema Gyanchandani	**2.15**	1.84
Expenses reimbursed by them for RSPL Ltd.	Leayan Global Private Limited	**-**	0.02
Investment in equity shares (refer note 6)	RSPL Health Private Limited	**3,100.00**	-
Advances given during the year	RSPL Health Private Limited	**447.00**	1,042.53
	Rene Solutions	**-**	13.00
	Leayan Global Private Limited	**-**	394.02
Advances repayment during the year	Mr. Tara Chand	**-**	4.71
	Leayan Global Private Limited	**-**	1,000.76
	Nimmi Buildtech Private Limited	**-**	2,198.26
	Laxmi Devi Dayal Das Charitable Trust	**-**	-
	Rene Solutions	**-**	17.00
	RSPL Health Private Limited	**525.00**	-
Interest accrued on advances given	RSPL Health Private Limited	**219.78**	253.67
Loans taken during the year	Mr. Murli Dhar	**1,324.00**	1,443.65
	Mr. Bimal Kumar	**1,433.00**	1,409.57

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
	Mr. Rahul Gyanchandani	**755.00**	1,065.20
	Mr. Manoj Kumar	**752.00**	1,076.20
	Mr. Rohit Gyanchandani	**1,133.50**	1,223.70
	Mrs. Kamla Devi	**66.50**	241.24
	Mrs. Seema Gyanchandani	**0.06**	11.00
	Mrs. Rajani Gyanchandani	**12.56**	18.24
Loan repayment during the year	Mr. Murli Dhar	**1,429.10**	1,340.48
	Mr. Bimal Kumar	**1,539.99**	1,326.44
	Mr. Rahul Gyanchandani	**841.27**	1,003.63
	Mr. Manoj Kumar	**860.96**	960.94
	Mr. Rohit Gyanchandani	**1,239.90**	1,151.83
	Mrs. Kamla Devi	**57.26**	218.14
	Mrs. Seema Gyanchandani	**-**	14.49
	Mrs. Rajani Gyanchandani	**-**	9.46

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended April 01, 2015
Balances as at year end:				
Interest accrued on Loans taken	Mr. Murli Dhar	**9.71**	22.72	14.27
	Mr. Bimal Kumar	**7.03**	20.66	17.01
	Mr. Rahul Gyanchandani	**7.70**	22.37	13.39
	Mr. Manoj Kumar	**8.34**	20.46	14.32
	Mr. Rohit Gyanchandani	**8.49**	33.80	15.59
	Mrs. Kamla Devi	**4.11**	4.58	5.85
	Mrs. Seema Gyanchandani	**0.27**	0.47	1.62
	Mrs. Rajani Gyanchandani	**1.91**	0.87	0.72
Advances Receivable	RSPL Health Private Limited	**414.87**	3,395.07	2,132.96
	Leayan Global Private Limited	**930.83**	930.50	1,537.82
	Nimmi Buildtech Private Limited	**-**	-	2,198.26
	Mr. Tara Chand	**-**	-	4.71
	Mr. Naresh Phoolwani	**0.43**	0.73	1.03
	Rene Solution	**-**	-	4.00
	RSPL Welfare foundation	**-**	0.11	0.11
Loans Payable	Mr. Murli Dhar	**25.11**	130.21	3.95
	Mr. Bimal Kumar	**14.84**	121.83	17.67
	Mr. Rahul Gyanchandani	**12.33**	98.61	14.54
	Mr. Manoj Kumar	**32.95**	141.90	6.03
	Mr. Rohit Gyanchandani	**26.98**	133.28	27.30
	Mrs. Kamla Devi	**39.48**	30.24	2.46
	Mrs. Seema Gyanchandani	**3.06**	3.00	6.00
	Mrs. Rajani Gyanchandani	**28.80**	16.24	6.57

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended April 01, 2015
Trade Receivables	RSPL Health Private Limited	**1,465.91**	1,465.91	1,466.21
	RSPL Health BD Limited	**439.93**	159.72	342.28
	Leayan Global Private Limited	**24.45**	2.67	1.57
	NIF Private Limited	**871.52**	808.76	782.56
	Laxmi Devi Dayal Das Charitable Trust	**-**	0.29	0.02
Trade Payables	HD Wires Private Limited	**-**	-	0.27
	RSPL Health Private Limited	**398.61**	483.09	-
	NIF Private Limited	**21.77**	20.55	1.86
	Rene Solution	**23.22**	40.41	7.98
	Nimmi Buildtech Private Limited	**-**	42.44	-
Payable to Key Management Personnel & others	Mr. Murli Dhar	**150.51**	243.92	440.07
	Mr. Bimal Kumar	**150.51**	243.92	440.07
	Mr. Rahul Gyanchandani	**140.84**	254.23	440.07
	Mr. Manoj Kumar	**140.84**	250.18	440.07
	Mr. Rohit Gyanchandani	**140.84**	254.23	440.07
	Mrs. Renuka Gulati	**-**	0.23	-
	Mr. J.N. Gupta	**-**	1.13	-
	Mr. Tara Chand	**-**	0.60	0.85
	Mr. Sushil Kumar Bajpai	**-**	3.36	2.21
	Mr. R.P. Singh	**-**	1.31	-
Guarantees given on behalf of*	RSPL Health BD Limited	**1,932.24**	2,027.76	1,923.60

* The Company has given guarantee on behalf of its step down wholly owned subsidiary RSPL Health BD limited to meet its working capital requirements.

C. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

D. Transactions with key management personnel

Directors' loans

The Company as per requirements, borrow funds from directors. Such loans are unsecured and the interest rate is the determined by the board. Rate of interest during the year 2015-16 was 15% which was reduced to 9% for the year 2016-17, which is based on market rate. Any loans received are included in financial instruments on the face of the balance sheet.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

E. Compensation of key management personnel of the Company

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term employee benefits	**4,459.86**	3,946.42
Post employment benefits	**-**	-
Other long-term employee benefits	**14.37**	8.02
Termination benefits	**-**	-

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

34. Segment information

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

35. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying value			Fair value		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial assets							
I. Classified and measured at fair value:							
Quoted investments	A	**29,681.84**	40,041.42	20,597.46	29,681.84	40,041.42	20,597.46
Investment in Unquoted Equity Shares	B	**18.01**	18.01	18.01	18.01	18.01	18.01
Derivative Assets (CCIRS, Options and IRS)	C	**293.47**	1,927.17	1,564.33	293.47	1,927.17	1,564.33
II. Classified and measured at amortised Cost:							
Investment in Quoted Debentures	A	**-**	-	5,000.00	-	-	5,000.00
Security deposit paid	D	**723.83**	689.71	560.82	723.83	689.71	560.82
Loans to related party	D	**-**	3,395.07	2,124.24	-	3,395.07	2,124.24
Total		**30,717.15**	**46,071.38**	**29,864.86**	**30,717.15**	**46,071.38**	**29,864.86**
Financial liabilities							
I. Amortised Cost:							
Borrowings							
Loans	D	**54,731.83**	32,872.93	29,459.28	54,731.83	32,872.93	29,459.28
Finance Lease Obligations	D	**60.28**	60.28	60.28	60.28	60.28	60.28
Total		**54,792.11**	**32,933.21**	**29,519.55**	**54,792.11**	**32,933.21**	**29,519.55**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Notes:

1 The management assessed that cash and cash equivalents, other bank balances, trade receivables, other current assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 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.

3 **The following methods and assumptions were used to estimate the fair values:**

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

A The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.

B The fair values for investments in unquoted equity shares are estimated by valuer following discounted cash flow method.

C The Company has entered into derivative financial instruments with financial institutions/ banks through Cross currency interest rate swap, foreign currency option contracts and interest rate swap. Such derivatives are valued using valuation techniques, which employs the use of market observable inputs. The Company has valued the same based on Mark to Market assessments given by banks as on date of valuation.

D The fair values of the financial assets and liabilities like security deposits paid, borrowings, finance lease obligation etc. are determined by using DCF method using discount rate that reflects the issuer's incremental borrowing rate as at the end of the reporting period. Loan to related parties are loan repayable on demand and accordingly, carrying value and fair value both are same.

36. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through profit and loss:					
Quoted investments	**March 31, 2017**	**29,681.84**	**29,681.84**	**-**	**-**
Investment in Unquoted Equity Shares	**March 31, 2017**	**18.01**	**-**	**-**	**18.01**
Derivative Assets (CCIRS, Options and IRS)	**March 31, 2017**	**293.47**	**-**	**293.47**	**-**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at amortised cost for which fair values are disclosed (refer note 33):					
Security deposit paid	**March 31, 2017**	**723.83**	**-**	**723.83**	**-**
Liabilities measured at amortised cost for which fair values are disclosed (refer note 33):					
Loans	**March 31, 2017**	**54,731.83**	**-**	**54,731.83**	**-**
Finance Lease Obligations	**March 31, 2017**	**60.28**	**-**	**60.28**	**-**

There have been no transfers between Level 1 and Level 2 during the year.

B. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2016:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at FVTPL:					
Quoted investments	March 31, 2016	40,041.42	40,041.42	-	-
Investment in Unquoted Equity Shares	March 31, 2016	18.01	-	-	18.01
Derivative Assets (CCIRS, Options and IRS)	March 31, 2016	1,927.17	-	1,927.17	-
Assets measured at amortised cost for which fair values are disclosed (refer note 33):					
Security deposit paid	March 31, 2016	689.71	-	689.71	-
Loans to related party	March 31, 2016	3,395.07	-	3,395.07	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 33):					
Loans	March 31, 2016	32,872.93	-	32,872.93	-
Finance Lease Obligations	March 31, 2016	60.28	-	60.28	-

There have been no transfers between Level 1 and Level 2 during the year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

C. Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2015:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at FVTPL:					
Quoted investments	April 01, 2015	20,597.46	20,597.46	-	-
Investment in Unquoted Equity Shares	April 01, 2015	18.01	-	-	18.01
Derivative Assets (CCIRS, Options and IRS)	April 01, 2015	1,564.33	-	1,564.33	-
Assets measured at amortised cost for which fair values are disclosed (refer note 35):					
Investment in quoted debentures	April 01, 2015	5,000.00	5,000.00	-	-
Security deposit paid	April 01, 2015	560.82	-	560.82	-
Loans to related party	April 01, 2015	-	-	-	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 35):					
Loans	April 01, 2015	29,459.28	-	29,459.28	-
Finance Lease Obligations	April 01, 2015	60.28	-	60.28	-

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2017, March 31, 2016 and April 01, 2015 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF method	Long-term growth rate for cash flows for subsequent years (average 2.50%)	2% increase (decrease) in the growth rate would result in increase (decrease) in fair value by INR 0.89 lakh
		Long-term operating margin	2% increase (decrease) in the margin would result in increase (decrease) in fair value by INR 2.60 lakh
		WACC (Range 11.71% to 14.88%)	1% increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 7.0 lakh
		Discount for lack of marketability	2% increase (decrease) in the discount would result in increase (decrease) in fair value by INR 10.90 lakh.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

37. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions.

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 risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2017 and March 31, 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2017. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017 and March 31, 2016."

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

The Company enters into interest rate swaps to manage its interest rate risk, in which it agrees to exchange, at specified intervals, the difference between floating and fixed rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2017, March 31, 2016 and April 1, 2015, company has taken interest rate swap for all of its floating interest rate borrowings.

The exposure of the Company's borrowing at floating rate of interest at the end of reporting year:

Particulars	March 31, 2017 (INR)	March 31, 2016 (INR)	April 1, 2015 (INR)
Rupee term loan borrowings	**8,057.83**	8,499.68	-
USD Commercial Borrowings	**26,674.00**	24,373.25	29,459.27

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2017		
INR Term loan	**+200**	**(174.66)**
INR Term loan	**-200**	**174.66**
USD Commercial Borrowings	**+200**	**(477.11)**
USD Commercial Borrowings	**-200**	**477.11**
March 31, 2016		
INR Term loan	+200	(77.99)
INR Term loan	-200	77.99
USD Commercial Borrowings	+200	(491.19)
USD Commercial Borrowings	-200	491.19

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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) and borrowings in foreign currency (ECB borrowings).

Foreign currency risk mitigation:

The Company manages its foreign currency risk by entering into derivatives viz. interest rate swaps, cross currency interest rate swaps and foreign currency option contracts.

When a derivative is entered into for the purpose of hedging, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company exposure to foreign currency risk at the end of reporting period expressed are as follows:

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	USD	EUR	USD	EUR	USD	EUR
Financial Asset						
Trade Receivable	**6.87**	**-**	1.89	-	5.63	-
Advance recoverable in cash	**13.83**	**46.29**	35.46	0.44	-	-
Exposure to foreign currency assets	**20.70**	**46.29**	**37.35**	**0.44**	**5.63**	**-**
Financial Liabilities						
Trade payables	**84.04**	**1.33**	25.56	12.09	57.27	0.03
Buyers' credit	**130.14**	**-**	-	-	15.70	-
Exposure to foreign currency liabilities	**214.18**	**1.33**	**25.56**	**12.09**	**72.97**	**0.03**
Net exposure to foreign currency liabilities	**(193.48)**	**44.96**	11.79	(11.65)	(67.34)	(0.03)
Net exposure to foreign currency liabilities (in INR)	**(12,391.86)**	**3,169.57**	**788.53**	**(885.11)**	**(4,255.45)**	**(1.88)**

Particulars	Increase/decrease in basis points	Effect on profit before tax	
		March 31, 2017	March 31, 2016
USD Sensitivity			
INR/ USD	+500	**(635.88)**	39.43
INR/ USD	-500	**635.88**	(39.43)
EURO Sensitivity			
INR/ EURO	+500	**158.48**	(44.22)
INR/ EURO	-500	**(158.48)**	44.22

Credit risk

Credit risk is the risk that counterparty will not meet its obligations 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), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding trade receivables are reviewed and assessed for default on half year basis taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Outstanding balances of trade receivable comprises primarily of Governments and group companies. The Company's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

The maximum exposure to credit risk at the reporting date is the carrying value of Trade receivables is as follows:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Trade receivables	**4,908.46**	3,887.70	3,556.89
Expected credit loss rate	**1.45%**	1.45%	1.45%
Expected credit loss	**71.17**	56.37	51.57
Specific provision	**108.58**	105.43	108.15
Total Provision	**179.75**	**161.80**	**159.72**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2017, March 31, 2016 and April 01, 2015 is the carrying amounts as provided in Note 5,6,7 & 11.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

Particulars	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
	INR lakh	INR lakh	INR lakh	INR lakh	INR lakh
Year ended March 31, 2017					
Borrowings	**27,780.94**	**28,229.68**	**25,701.80**	**20,056.45**	**101,768.87**
Trade payables	**486.07**	**45,013.20**	**-**	**-**	**45,499.27**
Other financial liabilities	**218.57**	**22,214.50**	**-**	**-**	**22,433.07**
	28,485.58	**95,457.38**	**25,701.80**	**20,056.45**	**169,701.21**
Year ended March 31, 2016					
Borrowings	18,742.96	-	22,711.02	56.45	41,510.43
Trade payables	478.77	43,513.19	-	-	43,991.96
Other financial liabilities	5.79	10,910.72	-	-	10,916.51
	19,227.52	**54,423.91**	**22,711.02**	**56.45**	**96,418.90**
April 01, 2015					
Borrowings	13,868.53	-	23,025.40	56.50	36,950.43
Trade payables	501.23	39,191.88	-	-	39,693.11
Other financial liabilities	-	6,922.19	-	-	6,922.19
	14,369.76	**46,114.07**	**23,025.40**	**56.50**	**83,565.73**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

38. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value through optimum mix of debt and equity. The Company's policy is to keep the gearing ratio to the maximum of 200%.

Net debt includes, interest bearing loans and borrowings less cash and cash equivalents."

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The gearing ratio at the end of the reporting year are as follows:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Borrowings (refer note 14)	**101,768.87**	41,510.43	36,950.43
Current maturities of long term loan and interest accrued on borrowings (refer note 18)	**10,623.78**	10,336.90	6,851.39
Less: Cash and cash equivalents (refer note 11)	**(824.48)**	(1,042.03)	(7,634.45)
Net debts (A)	**111,568.17**	**50,805.30**	**36,167.37**
Equity (B)	**170,483.98**	**142,645.52**	**109,969.50**
Net Gearing(A/B)	**65.44%**	**35.62%**	**32.89%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

39. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:			
- Principal amount due to micro and small enterprises	**208.03**	115.87	440.28
- Interest due on above	**15.43**	11.56	19.53
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	**-**	-	-
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.	**-**	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	**46.52**	31.09	19.53
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	**46.52**	31.09	19.53

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

40. Details of Specified Bank Notes held and transacted during period from November 08, 2016 to December 30, 2016

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in hand as on November 08, 2016	113.31	46.40	159.71
(+) Permitted receipts	-	282.04	282.04
(+) Non-permitted receipts**	328.58	-	328.58
(-) Permitted payments	-	276.58	276.58
(-) Amount deposited in Banks	441.87	-	441.87
Closing Cash in hand as on December 30, 2016* **	**0.02**	**51.86**	**51.88**

* For the purpose of this clause 'Specified bank notes' shall have the same meaning provided in the notification of Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated November 8, 2016.

** Represents cash received from employees given to them as imprest for Company's expenses.

*** Closing cash balance of SBNs represents damaged currency note which could not be deposited in bank.

41. Interest in subsidiary

The financial statements of the Company include group information, wherever required, pertaining to following:

Subsidiary Companies

Particulars	RSPL Health Private Limited	RSPL Health BD Limited	RSPL HH BD Limited (Liquidated on 28th July 2015)
Relationship	Subsidiary company	Step-down subsidiary company	Step-down subsidiary company
Principal Activity	The main objective of the Company is to carry on the business of manufacture of all type of consumer products, particularly personal hygene products, dental hygiene and oral care products, drugs or medicines and home and fabric care products.	The main objective of the Company is to carry on the business of manufacture of all type of soap and detergent products and its ingredients.	The main objective of the Company is to carry on the business of manufacture of all type of soap and detergent products and its ingredients.
Method used to account for investments	At cost	At cost	At cost
Place of Incorporation and place of operation	India	sBangladesh	Bangladesh
Proportion of ownership interest and voting power held by the Company:			
31-Mar-17	100%	100%	N.A.
31-Mar-16	100%	100%	100%
01-April-15	100%	100%	100%
Quoted (Yes / No)	No	No	No

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

42. First-time adoption of Ind AS

(I) These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on March 31, 2017, together with the comparative year data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

Exemptions applied:

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

(a) Deemed cost for property, plant & equipment and Intangible assets:

Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Investment in subsidiaries:

As per the requirements of Ind AS 27, company has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(i) cost determined in accordance with Ind AS 27; or

(ii) deemed cost. The deemed cost of such an investment shall be its

  (a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

  (b) previous GAAP carrying amount at that date.

  Accordingly, the Company has opted to record its investment in subsidiaries at previous GAAP carrying value at transition date.

Estimates

The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair value through profit and loss (FVPL) – Mutual funds etc.
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2015, the date of transition to Ind AS and as of March 31, 2016.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

42. First-time adoption of Ind AS

(II) (a) Reconciliations of Equity as at April 01, 2015 (date of transition to Ind AS)

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	a	79,718.33	(1,207.12)	78,511.21
Capital work-in-progress		5,534.74	-	5,534.74
Intangible assets		185.76	-	185.76
Intangible assets under development		1,348.90	-	1,348.90
Investment in subsidiary		21.00	-	21.00
Financial Assets				
Investments	b	2.00	16.01	18.01
Loans		2,685.06	-	2,685.06
Other financial assets	d , f	16,082.70	(51.43)	16,031.27
Other non-current assets	a , d	4,665.08	1,233.54	5,898.62
		110,243.57	**(9.00)**	**110,234.57**
Current assets				
Inventories		38,407.67	-	38,407.67
Financial Assets				
Investments	c	24,382.32	1,215.14	25,597.46
Loans		4,100.14	-	4,100.14
Trade receivables		3,397.16	-	3,397.16
Cash and cash equivalents		7,634.45	-	7,634.45
Bank balances other than above		-	-	-
Other financial assets	d , f	1,284.02	(33.06)	1,250.96
Other current assets	d, e	32,897.99	32.60	32,930.59
		112,103.75	**1,214.68**	**113,318.43**
Total Assets		**222,347.32**	**1,205.68**	**223,553.00**
Equity and liabilities				
Equity				
Equity share capital		4,403.25	-	4,403.25
Other equity	j	105,130.75	435.50	105,566.25
		109,534.00	**435.50**	**109,969.50**
Non-current liabilities				
Financial liabilities				
Borrowings	a	23,021.61	60.28	23,081.89
Provisions		837.81	0.00	837.81
Deferred tax liabilities (net)	h	4,089.35	481.11	4,570.46
		27,948.77	**541.40**	**28,490.17**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Current liabilities				
Financial liabilities				
Borrowings		13,868.54	-	13,868.54
Trade payables	i	39,464.32	228.79	39,693.10
Other financial liabilities		6,922.19	-	6,922.19
Other current liabilities	g	23,458.83	-	23,458.83
Provisions		268.00	-	268.00
Current tax liabilities (net)		882.67	-	882.67
		84,864.55	**228.79**	**85,093.33**
Total Equity and Liabilities		**222,347.32**	**1,205.68**	**223,553.00**

(b) Reconciliations of Equity as at March 31, 2016

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	a	98,845.27	(1,492.01)	97,353.26
Capital work-in-progress		14,640.54	-	14,640.54
Intangible assets		147.00	-	147.00
Intangible assets under development		1,355.34	-	1,355.34
Investment in subsidiary		21.00	-	21.00
Financial Assets		-	-	-
Investments	b	2.00	16.01	18.01
Loans		4,084.78	-	4,084.78
Other financial assets	d , f	10,466.62	92.57	10,559.19
Other non-current assets	a , d	18,337.25	1,513.18	19,850.43
		147,899.80	**129.75**	**148,029.55**
Current assets				
Inventories	m	47,365.25	(75.06)	47,290.19
Financial Assets				
Investments	c	37,390.96	2,650.46	40,041.42
Loans		1,401.27	-	1,401.27
Trade receivables		3,725.90	-	3,725.90
Cash and cash equivalents		1,042.03	-	1,042.03
Bank balances other than above		35.75	-	35.75
Other financial assets	d , f	943.35	-	943.35
Other current assets	d	32,400.14	37.08	32,437.22
		124,304.65	**2,612.48**	**126,917.13**
Total Assets		**272,204.45**	**2,742.23**	**274,946.67**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Equity and liabilities				
Equity				
Equity share capital		4,403.25	-	4,403.25
Other equity	j	137,504.50	737.79	138,242.27
		141,907.75	**737.79**	**142,645.52**
Non-current liabilities				
Financial liabilities				
Borrowings	a	22,707.19	60.28	22,767.47
Provisions		1,523.81	-	1,523.81
Deferred tax liabilities (net)	h	3,409.32	1,849.38	5,258.70
Other Non-current Liabilities		3,046.01	-	3,046.01
		30,686.33	**1,909.65**	**32,595.99**
Current liabilities				
Financial liabilities				
Borrowings		18,742.96	-	18,742.96
Trade payables	i	43,897.16	94.80	43,991.96
Other financial liabilities		10,916.51	-	10,916.51
Other current liabilities	g	18,328.85	-	18,328.85
Provisions		195.39	-	195.39
Current tax liabilities (net)		7,529.49	-	7,529.49
		99,610.36	**94.80**	**99,705.16**
Total Equity and Liabilities		**272,204.45**	**2,742.24**	**274,946.67**

(c) Reconciliations of total comprehensive income for the year ended March 31, 2016

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Income				
Revenue from operations	k	417,033.90	49,594.45	466,628.35
Other income	e	5,984.12	1,612.38	7,596.50
Total income		**423,018.02**	**51,206.83**	**474,224.85**
Expenses				
Cost of material consumed		279,815.83	-	279,815.83
Increase in inventories of finished goods, work-in-progress, and others		(4,938.74)	-	(4,938.74)
Excise duty on sale of goods	k	-	49,594.45	49,594.45
Employee benefits	l	20,892.58	-	20,892.58
Depreciation and amortization expense	a	6,577.76	(35.90)	6,541.86
Other expenses	a, d, i, m	60,549.67	(5.29)	60,544.38
Finance costs	a	3,596.05	6.96	3,603.01
Total expenses		**366,493.15**	**49,560.22**	**416,053.37**
Profit before tax		**56,524.87**	**1,646.61**	**58,171.48**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Tax expense :				
Current tax		19,000.00	-	19,000.00
Deferred tax	h	(680.02)	1,359.98	679.96
Income tax adjustment related to earlier years		1.53	-	1.53
Profit for the year		**38,203.36**	**286.63**	**38,489.99**
Other Comprehensive Income (OCI):				
Items that will not be reclassified to statement of profit or loss in subsequent years				
Re-measurement gains (losses) on defined benefit plans	l	-	(23.94)	(23.94)
Income tax effect	l	-	8.29	8.29
Other comprehensive income for the year		**-**	**(15.65)**	**(15.65)**
Total Comprehensive Income for the year		**38,203.36**	**302.28**	**38,505.65**

(III) Footnotes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and profit or loss for the year ended March 31, 2016:

a. Leasehold land

While transiting to Ind AS, the Company has classified certain leasehold land with lease term 90 years or more as finance lease on transition date. Whereas under Indian GAAP, such leasehold land has been treated as part of fixed assets but present value of annual lease rentals have not been capitalised and charged to statement of profit and loss.

Under Ind AS, present value of annual rentals has been capitalised to leasehold land and corresponding a finance lease obligation created retrospectively. Till transition date, the Company has recorded finance cost on finance lease obligation and has been charged to retained earnings. Further, annual rentals capitalised to PPE also amortised retrospectively and impact charged to retained earnings

Accordingly, subsequent to transition date, finance cost and amortisation of leasehold land has been charged to statement of profit and loss.

b. Investments in Equity Shares

Under Indian GAAP, investments in equity shares have been recognised at cost. However, under Ind AS, such investments have been classified and measured at fair value through OCI. Accordingly, under Ind AS, at transition date impact of fair valuation of such equity securities has been passed through OCI and subsequent to transition date, the same has been passed through statement of profit and loss (OCI).

c. Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds have been recognised at lower of cost or fair value. However, under Ind AS, such investments have been classified and measured at fair value through profit and loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

d. Dividend Income

Under Indian GAAP, dividend income was recognised on accrual basis. Under Ind AS, such dividend income is required to recognise when right to receive has been established. Accordingly, dividend income recognised under Indian GAAP has been reversed from retain earnings at transition date

Subsequent to transition date, when the Company has right to receive dividend has been established, such dividend income has been recognised in statement of profit and loss.

e. Derivative asset:

Under Indian GAAP, the Company is following derivative accounting and accordingly recognising mark to market loss only in relation to outstanding derivatives as on reporting date. Under Ind AS, the Company is required to fair value of outstanding derivatives and is also required to recognise gain or loss in relation to such derivatives. Consequent to this, a derivative assets or liabilities recognised and corresponding as on transition date impact has been adjusted through retained earnings and for the year ended 31 March 2016 impact has been adjusted through income statement.

f. Lease Equalisation:

Under Indian GAAP, lease equalisation reserve was recognised for all the leasehold properties. However under Ind AS, lease equalisation reserve has been recognised only for the properties where payments to the lessor are not structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Accordingly, as on transition date lease equalisation reserve has been reversed from retained earnings. Subsequent to transition date, lease equalisation reserve has been reversed from statement of profit and loss.

g. Deferred Taxes:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

h. Prior period errors

Under previous GAAP, the Company had presented certain expenses in the statement of profit and loss, as prior period expenses amounting to INR 141.47 lakh as on March 31, 2016 and has also identified expenses of ₹ 415.81 and deferred tax adjustments of ₹ 801.82 lakh during the current year relating to previous periods. As per Ind AS 101, if the Company becomes aware of such errors which made under previous GAAP, then such errors shall be adjusted in the retained earnings and shall be presented in equity and profit and loss reconciliation statement. Accordingly, the Company has adjusted such prior period of expenses through retained earnings as of transition date amounting to ₹ 473.57 lakh and as restated March 31, 2016 by ₹ 83.71 lakh for expenses and ₹ 801.82 lakh for deferred tax liability.

i. Retained Earnings

Retained earnings as at April 01, 2015 and March 31, 2016 has been adjusted consequent to Ind AS transition adjustments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

j. Revenue from sale of products

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This charge has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016. There is no impact of the total equity and profit.

k. Other comprehensive income

Under Ind AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless standard requires or permits otherwise. Items of income and expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, tax impact of such adjustments is also taken in Other comprehensive income. The concept of other comprehensive income did not exist under previous GAAP.

l. Store and spares

Ind AS 101 requires an entity to use same accounting policy in its opening balance sheet and throughout all the periods presented in its first Ind AS financial statement. In order to make same accounting policies throughout the periods the company has changed valuation policy of stores & spares from weighted average to FIFO. This has resulted in decrease in profit of previous year by INR 75.06 lakh and increase in profit of current year by the same amount.

m. Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

43. During the year, the Company has issued Non-Convertible Redeemable Debentures of face value INR 10 Lakh each and aggregating upto INR 20,000 lakh to SBI Life Insurance Corporation Limited and the same are listed in National Stock Exchange (NSE). As per SEBI (Listing and Disclosure requirements) Regulations, 2015, the listed entity is required to submit un-audited or audited financial results on a half yearly basis within sixty days from the end of the year to the recognised stock exchange, however, the Company has failed to comply with the above said provision. The Company has filed for condonation of the same with NSE and is awaiting revert thereon. Pending the outcome of the same, the management has created provision for penalties. Based on its discussion with authorities, the management is hopeful of getting the condonation of delay and is of the view that no action will be taken against them.

44. The Company has recoverable and payables amounting to INR 7,511.63 lakh and INR 5,282.58 lakh respectively from one of the supplier and its group companies as at March 31, 2017. The Company has initiated legal proceedings against the supplier and its group companies for supply of material against the above advances. Based on current discussion, the management is confident of receiving the supply of material or recovery of the same and hence no provision is considered necessary at this stage.

45. Capitalisation of expenses

1. (The Company has ongoing projects and significant part of the same are expected to be completed in near future. The carrying value of such projects as at March 31, 2017 was ₹ 101,920.85 lakh. These projects have been financed by various banks and other financial institutions. The amount of borrowing cost capitalised during the year ended March 31, 2017 was ₹ 2,333.57 lakh (March 31, 2016 : nil, April 1, 2015 : nil)
2. (During the year, the Company has capitalised the following pre-operative expenses to capital work-in-progress being expenses related to the construction of soda ash plant in Gujarat. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Employee benefits expenses	**1,143.78**	549.22
Finance cost (LC charges)	**94.95**	-
Maintenance expenses	**344.41**	-
Travelling and conveyance	**209.26**	105.12
Rent	**375.93**	35.38
Legal & Professional	**151.63**	22.93
Power & fuel	**99.19**	25.49
Miscellaneous expenses	**578.39**	8.35
Insurance	**42.51**	-
Total	**3,040.05**	**746.49**

46. During the year ended March 31, 2017, the Company has recognized subsidy income of INR 2,863.74 lakh (March 31, 2016: INR 1,789.30 lakh) from M.P. Trade & Investment Facilitation Corporation Limited, Bhopal under the scheme of Madhya Pradesh Industrial Investment Promotion assistance Scheme 2004 and has recognised INR 9621.47 lakh (March 31, 2016: INR 3,262.76 lakh) as deferred subsidy under other current liabilities based on sanction received from relevant authorities during the year. There are no unfulfilled conditions and contingencies attached to these grants.

47. Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **per Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Director of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary &
Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of RSPL Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of RSPL Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

We draw attention to note 44 to the consolidated financial statements regarding recoverability of balances from one of the supplier and its group companies amounting to ₹ 7,511.63 lakh (without considering payable balance of ₹ 5,282.58 lakh, net of liabilities ₹ 2,229.05 lakh), wherein the holding Company has initiated legal action for recoverability of these balances. Pending the outcome of above, we are unable to comment on the recoverability/settlement of same.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of consolidated the state of affairs of the Group as at March 31, 2017, of their consolidated profit including other comprehensive income and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. **As required by section 143(3) of the Act, to the extent applicable, we report that:**

   (a) Except for the matter described in the Basis for Qualified Opinion paragraph, 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 of the aforesaid consolidated Ind AS financial statements;

   (b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors;

   (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   (d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder;

   (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

   (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

   (h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate report in "Annexure - 1" to this report;

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

      i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on its consolidated financial position of the Group - Refer Note 32D to the consolidated Ind AS financial statements;

      ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2017.

iv. The Holding Company and its subsidiaries incorporated in India has provided requisite disclosures in Note 40 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 08, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Holding Company and its subsidiaries incorporated in India and as produced to us by the Management. However, amounts aggregating to ₹ 328.58 lakh have been received from transactions which are not permitted.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of a subsidiary, whose Ind-AS financial statements include total assets of ₹ 3,821.58 lakh and net assets of ₹ 717.65 lakh as at March 31, 2017, and total revenues of ₹ 8,391.64 lakh and net cash outflows of ₹ 160.62 lakh for the year ended on that date. These financial statement and other financial information have been audited by other auditor and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

Above subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by other auditor under generally accepted auditing standards applicable in its respective country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The comparative financial information of the Group for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2015 dated September 26, 2016 and December 30, 2015 respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813

Place of Signature : Gurugram
Date : September 30, 2017

Annexure - 1 to the independent auditor's report of even date on the consolidated financial statements of RSPL Limited

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

In conjunction with our audit of the consolidated financial statements of RSPL Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of RSPL Limited (hereinafter referred to as "the holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2017:

The holding Company did not have an appropriate documented internal control system in place with respect to process of review and monitoring of the yearend financial statement closure process, which may potentially result in material misstatement in the holding Company's financial statement balances and presentation and disclosure of financial statement.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the holding Company and its subsidiary companies, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, based on the internal control over financial reporting criteria established by the holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813

Place of Signature : Gurugram
Date : September 30, 2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Assets				
Non-current assets				
Property, plant and equipment	3 (a)	**110,072.83**	98,925.99	79,737.97
Capital work-in-progress	3 (b)	**105,873.31**	14,648.83	5,541.88
Intangible assets	4 (a)	**89.67**	147.00	185.76
Intangible assets under development	4 (b)	**1,719.86**	1,355.34	1,348.90
Financial assets				
Investments	5	**18.01**	18.01	18.01
Loans	6	**723.83**	689.71	560.82
Other financial assets	7	**821.41**	10,559.19	16,031.27
Other non-current assets	8	**23,506.64**	19,907.12	5,949.04
Non-current tax assets		**448.23**	297.75	79.51
Deferred tax assets		**119.58**	-	-
		243,393.37	**146,548.94**	**109,453.16**
Current assets				
Inventories	9	**65,027.42**	48,003.38	38,743.48
Financial Assets				
Investments	5	**29,681.84**	40,041.42	25,597.46
Loans	6	**1,491.29**	1,410.42	4,105.54
Trade receivables	10	**2,822.86**	2,100.26	1,588.67
Cash and cash equivalents	11 (a)	**1,014.17**	1,490.89	8,018.74
Bank balances other than above	11 (b)	**60.22**	35.75	-
Other current financial assets	7	**376.23**	1,011.74	1,480.70
Other current assets	8	**26,322.28**	32,666.69	33,227.68
		126,796.31	**126,760.55**	**112,762.27**
Total Assets		**370,189.68**	**273,309.49**	**222,215.43**
Equity and liabilities				
Equity				
Equity share capital	12	**4,403.25**	4,403.25	4,403.25
Other equity	13	**162,301.52**	134,682.93	102,842.55
		166,704.77	**139,086.18**	**107,245.80**
Non-current liabilities				
Financial liabilities				
Borrowings	14	**45,759.01**	22,767.47	23,081.89
Provisions	15	**2,509.27**	1,549.93	847.68
Deferred tax liabilities (net)	16	**5,047.86**	5,329.73	4,623.62
Other non-current liabilities	17	**9,282.10**	3,046.01	-
		62,598.24	**32,693.14**	**28,553.19**
Current liabilities				
Financial liabilities				
Borrowings	14	**57,151.69**	20,012.93	14,621.86
Trade payables	18	**46,746.17**	44,484.93	40,207.09
Other current financial liabilities	19	**22,433.07**	10,916.51	6,922.19
Other current liabilities	17	**13,139.96**	18,388.02	23,512.31
Provisions	15	**425.03**	198.29	270.32
Current tax liabilities (net)	20	**990.75**	7,529.49	882.67
		140,886.67	**101,530.17**	**86,416.44**
Total Equity and Liabilities		**370,189.68**	**273,309.49**	**222,215.43**
Summary of significant accounting policies	2			
The accompanying notes are an integral part of the financial statements				

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **per Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	21	**456,460.99**	470,956.14
Other income	22	**8,935.84**	7,397.07
Total income		**465,396.83**	**478,353.21**
Expenses			
Cost of raw materials and component consumed	23 (a)	**278,589.33**	283,564.09
Increase in inventories of finished goods, work-in-progress and others	23 (b)	**(2,589.32)**	(4,797.25)
Excise duty on sale of goods		**47,596.71**	49,594.45
Employee benefits expense	24	**24,239.75**	21,374.69
Finance costs	26	**3,331.80**	3,753.20
Depreciation and amortization expense	25	**7,718.41**	6,586.54
Other expenses	27	**62,421.26**	60,921.03
Total expenses		**421,307.94**	**420,996.75**
Profit before tax		**44,088.89**	57,356.46
Tax expense :			
Current tax	16	**13,452.89**	19,006.67
Deferred tax	16	**(335.45)**	698.10
Adjustment of tax related to earlier periods	16	**567.91**	1.53
Profit for the year		**30,403.54**	**37,650.16**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement losses / (gains) on defined benefit plans	28	**190.37**	(23.30)
Income tax effect		**(65.99)**	8.06
Items that will be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		**(10.74)**	4.60
Other comprehensive income for the year		**113.64**	(10.64)
Total comprehensive income for the year		**30,289.90**	**37,660.80**
Earnings per equity share:	29		
(1) Basic		**69.05**	85.51
(2) Diluted		**69.05**	85.51
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **per Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	**44,088.89**	57,356.46
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	**7,718.41**	6,586.54
Provision for unpaid liabilities	**97.10**	-
(Gain) / loss on sale / disposal of property, plant and equipment	**(23.43)**	30.11
Unrealised exchange (gains) / losses (net)	**(388.82)**	157.93
Provision for doubtful loans and advances / trade receivables	**192.36**	150.03
Balances written off	**68.80**	0.30
Fair value (gain) / loss on mutual funds	**(1,429.48)**	1,471.71
Interest and financial charges	**3,331.80**	3,753.20
Fair value gain on derivative instruments	**(1,633.70)**	(362.85)
Profit on sale of current investments	**(1,825.38)**	(1,577.42)
Foreign currency translation reserve	**(10.74)**	4.60
Dividend income	**(154.13)**	(33.06)
Interest income	**(435.67)**	(1,727.84)
Operating profit before working capital changes	**49,596.01**	**65,809.71**
Add: Working Capital Changes :		
Increase in inventories	**(17,024.04)**	(9,259.89)
Increase in trade receivables	**(914.96)**	(661.61)
(Increase) / decrease in loans	**(115.00)**	2,566.23
Decrease in other financial assets	**4,099.63**	4,975.12
Decrease / (increase) in other assets	**3,565.65**	(1,811.92)
Increase in trade payables	**2,050.18**	4,119.91
Increase in provisions	**995.71**	653.53
Decrease/ (increase) in other financial liabilities	**(930.48)**	5.78
Increase / (decrease) in other liabilities	**988.06**	(2,078.37)
Cash Flow from operations	**42,310.76**	**64,318.49**
Less: Direct taxes paid (net)	**(20,710.01)**	(12,579.62)
NET CASH FROM OPERATING ACTIVITIES (A)	**21,600.75**	**51,738.87**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital work in progress and capital advance)	**(100,161.29)**	(46,027.07)
Proceeds from sale of property, plant & equipment	**127.91**	71.12
(Purchase)/ sale or decrease of investments (net)	**13,614.43**	(14,338.25)
(Investments in)/ proceeds from fixed deposits (net)	**8,735.24**	(35.75)
Interest received	**726.57**	3,056.61
Dividend received	**154.13**	33.06
C. NET CASH USED IN INVESTING ACTIVITIES (B)	**(76,803.01)**	(57,240.28)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	**(2,125.07)**	(4,001.54)
Proceeds/ (repayments) from borrowings (net)	**59,500.44**	8,804.72
Dividend paid (inclusive of dividend distribution tax)	**(2,649.83)**	(5,829.62)
NET CASH FROM/ (USED IN) FINANCING ACTIVITIES (C)	**54,725.54**	**(1,026.44)**
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(476.72)**	**(6,527.85)**
Cash and cash equivalents at the beginning of the year	**1,490.89**	8,018.74
Cash and cash equivalents at the end of the year	**1,014.17**	1,490.89
NET DECREASE IN CASH & CASH EQUIVALENTS	**(476.72)**	**(6,527.85)**
Summary of significant accounting policies	**2**	

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **per Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR lakh, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2015	44,032,500	4,403.25
At March 31, 2016	44,032,500	4,403.25
At March 31, 2017	44,032,500	4,403.25

B. Other equity

	Reserves and surplus				Items of other comprehensive income		
Particulars	**Amalgamation reserve**	**General reserve**	**Debenture redemption reserve**	**Retained earnings**	**Foreign Currency Translation Reserve**	**Re-measurement gains (losses) on defined benefit plans**	**Total**
At April 01, 2015	**33.86**	**28,728.09**	**-**	**74,079.13**	**1.47**	**-**	**102,842.55**
Profit for the year	-	-	-	37,650.16	-	-	37,650.16
Other comprehensive income:							
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	23.30	23.30
Income tax effect on above	-	-	-	-	-	(8.06)	(8.06)
Foreign currency translation reserve (FCTR)	-	-	-	-	4.60	-	4.60
Interim dividends	-	-	-	(4,843.58)	-	-	(4,843.58)
Dividend distribution tax	-	-	-	(986.04)	-	-	(986.04)
At March 31, 2016	**33.86**	**28,728.09**	**-**	**105,899.67**	**6.07**	**15.24**	**134,682.93**
Profit for the year	-	-	-	30,403.54	-	-	30,403.54
Other comprehensive income:							
- Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	(190.37)	(190.37)
- Income tax effect on above	-	-	-	-	-	65.99	65.99
- Foreign currency translation reserve	-	-			**(10.74)**	**-**	**(10.74)**
Transfer to debenture redemption reserve	-	(231.51)	231.51	-	-	-	-
Interim dividends	-	-	-	(2,201.63)	-	-	(2,201.63)
Dividend distribution tax	-	-	-	(448.20)	-	-	(448.20)
At March 31, 2017	**33.86**	**28,496.58**	**231.51**	**133,653.38**	**(4.67)**	**(109.14)**	**162,301.52**

Summary of significant accounting policies 2

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

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **per Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

1. Corporate information

The consolidated financial statements comprise financial statements of RSPL Limited ("the Company") and its subsidiaries (collectively, "the Group") for the year ended March 31, 2017. The Company originally started with the name of 'Shri Mahadeo Soap Industries Private Limited' in the year 1988. In the year 2008, the Company merged with 'Ghari Industries Private Limited', 'Calcutta Detergent Private Limited' and real estate business of the Company was demerged to 'Nimmi Build Tech Private Limited'. In 2011, the Company also demerged its leather business into 'Leayan Global Private Limited'. Effective from August 26, 2011, name of the Company was changed to 'RSPL Private Limited'. Subsequently, the Company was converted into a Public Limited Company on August 29, 2011.The Group is operating in the 'Fast Moving Consumer Goods' (FMCG) business comprising Home and Personal Care (HPC) products and it is also in business of generating electricity using wind energy.

The Company's debt securities are listed on the National Stock Exchange. The registered office of the Company is located at 119-121, Block P&T, Fazalganj, Kalpi Road, Kanpur – 208 012.

The information on related party relationships of the Group is provided in Note 33.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on September 30, 2017.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 issued by Ministry of Corporate Affairs ("MCA").

For all the periods up to and including March 31, 2016, the Group has prepared the financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Group has prepared in accordance with Ind AS. Refer to note 42 for an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements correspond to the classification provisions as contained in Ind AS 1 "Presentation of Financial Statements". For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet, however, the details of such items are separately presented in the notes to accounts of the financial statements, where applicable.

The Group uses same accounting policies in its opening Ind AS balance sheet and throughout all periods presented in its first Ind AS financial statements. These accounting policies comply with Ind AS effective at the end of the first Ind AS reporting period, except as specified in Ind AS 101.

The consolidated financial statements are presented in Indian Rupees (INR) in lakh and all values are rounded to the nearest lakh (INR 00,000), except when otherwise stated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Summary of significant accounting policies

a. Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle (the Group considers 12 month period as normal operating cycle).
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle (the Group considers 12 month period as normal operating cycle).
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and realisation in cash and cash equivalents.

b. Foreign currencies

Functional and presentational currency

The Group's consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Group primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

c. Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has assumed that recovery of excise duty flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from services

Revenue from services are recognized pro rata over the period of contract as and when services are rendered. The Group collects service tax on behalf of government and, therefore, it is not an economic benefit flowing on account of the Group. Hence, it is excluded from revenue.

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

e. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

g. Property, plant and equipment

The Group has elected to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind-AS and use the same as its deemed cost as at the date of transition.

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of replaced part getting derecognized. The cost of day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation on property, plant and equipment has been provided on the straight line method as per the useful life as estimated by the management to allocate their cost, net of their residual values, over their estimated useful lives based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Asset category	**Useful lives estimated by the management (years)**
Plant and equipment	3 - 25 years
Office equipment	2 - 5 years
Buildings	3-30 years
Computers	3-6 years
Electrical installations and fittings	10 years
Furniture and fittings	10 years
Lab equipments	5 - 10 years
Land (leasehold)	As per the lease term
Wind power converters	20 years
Vehicles	6 - 8 years

Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

Depreciation on additions/ deletions is provided on pro-rata basis with reference to the date of addition/ deletion.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Leases

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

For arrangements entered into prior to 1 April 2015, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group’s general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

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A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease rentals are recognized as expense or income on a straight line basis with reference to lease terms and other considerations except where-

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or
ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Company as a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

k. Inventories

Inventories of raw materials, components, stores and spares are valued at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

- Raw materials and components: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw material and components is determined on first in, first out basis.
- Cost of spare parts is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

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

l. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets ('CGU').

An impairment loss is recognised, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications 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. An impairment loss is reversed 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 amortization, if no impairment loss had been recognised.

m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

n. Contingent liabilities and contingent assets

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

Contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

o. Retirement and other employee benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

The Company operates a defined benefit gratuity plan, which requires contributions to be made to SBI life insurance company limitedThere are no other obligations other than the contribution payable to the respective trust. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Re-measurements, 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 in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

In case of subsidiary companies where gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

In case of one of the subsidiary company (RSPL Health Private Limited), liability with regard to gratuity plan is accrued based on the actual liability accrued at the end of the reporting year.

In case of another subsidiary company (RSPL Health BD Limited), liability with regard to gratuity plan is accrued based on actuarial valuations at the balance sheet date, carried out by independent actuary.

Compensated leave absences

Accumulated leave, which is expected to be utilized within a period of next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Group has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

This category generally applies to trade and other receivables. Company has recognized financial assets viz. trade receivables, cash and cash equivalents, security deposits, trade receivables at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Company has recognized investment in mutual funds at FVTPL.

Equity investments

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

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

For equity instruments included within the FVTPL category are measured at fair value and company has recognized all changed in the P&L.

Derecognition

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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

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

Impairment of financial assets

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, advances and bank balance

b. Trade receivables that result from transactions that are within the scope of Ind AS 18

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

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

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. The Group does not have any financial liabilities designated at Fair Value through Profit or Loss.

Financial liabilities at amortised cost

Loans and borrowings

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

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

q. Derivative financial instruments accounting

The Group uses derivative financial instruments, such as cross currency interest rate swaps and interest rate swaps to hedge against its risk exposure against foreign currency loans, variable interest outflow on such loans relating to firm commitments. 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.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

r. Cash and cash equivalents

Cash and cash equivalent 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 Group's cash management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR lakh, unless otherwise stated)

3 (a). Property, plant and equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Lab Equipment	Wind power convertors	Electrical installation and fittings	Office equipments	Computers	Furnitures and fixtures	Vehicles	Total
Cost												
At April 01, 2015 (refer note below)	15,739.24	1,104.65	27,875.92	17,047.88	38.64	11,083.55	1,714.97	597.30	462.92	501.77	3,571.13	79,737.97
Additions	10,966.76	475.09	631.42	2,896.02	-	9,594.37	23.26	185.84	117.73	79.70	669.59	25,639.78
Disposals/ adjustments (net)	13.08	-	-	101.07	1.40	-	2.80	(16.20)	(0.25)	(9.16)	10.32	103.06
FCTR	47.03		6.57	8.56	0.21	-	1.17	0.55	0.90	0.60	2.12	67.71
At March 31, 2016	**26,739.95**	**1,579.74**	**28,513.91**	**19,851.39**	**37.45**	**20,677.92**	**1,736.60**	**799.89**	**581.80**	**591.23**	**4,232.52**	**105,342.40**
Additions	2,444.88	-	6,779.04	7,808.65	40.98	-	610.58	251.67	168.14	271.63	593.28	18,968.85
Disposals	69.36	-	-	52.26	-	-	5.79	-	0.77	-	32.78	160.96
FCTR	(43.13)	-	(8.49)	(18.45)	(0.19)	-	(1.99)	(0.63)	(0.97)	(0.59)	(1.95)	(76.39)
At March 31, 2017	**29,072.34**	**1,579.74**	**35,284.46**	**27,589.33**	**78.24**	**20,677.92**	**2,339.40**	**1,050.93**	**748.20**	**862.27**	**4,791.07**	**124,073.90**
Depreciation												
At April 01, 2015 (refer note below)	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	8.01	1,310.12	2,457.03	4.90	735.14	262.06	237.49	165.38	77.99	1,168.92	6,427.04
Disposals	-	-	16.47	8.99	-	-	-	0.20	0.13	0.03	6.12	31.94
FCTR	-	-	17.26	0.56	0.03	-	0.10	0.17	0.35	0.08	2.76	21.31
At March 31, 2016	**-**	**8.01**	**1,310.91**	**2,448.60**	**4.93**	**735.14**	**262.16**	**237.46**	**165.60**	**78.04**	**1,165.56**	**6,416.41**
Depreciation for the year	-	18.47	1,862.62	2,705.33	8.97	1,164.01	281.82	233.10	170.68	81.53	1,097.34	7,623.87
Disposals/ adjustments (net)	-	-	-	14.63	-	-	1.55	-	0.36	-	16.51	33.05
FCTR	-	-	(2.57)	(1.45)	(0.07)	-	(0.30)	(0.29)	(0.61)	(0.13)	(0.74)	(6.16)
At March 31, 2017	**-**	**26.48**	**3,170.96**	**5,137.85**	**13.83**	**1,899.15**	**542.13**	**470.27**	**335.31**	**159.44**	**2,245.65**	**14,001.07**
Net book value												
At March 31, 2017	**29,072.34**	**1,553.26**	**32,113.50**	**22,451.48**	**64.41**	**18,778.77**	**1,797.27**	**580.66**	**412.89**	**702.83**	**2,545.42**	**110,072.83**
At March 31, 2016	**26,739.95**	**1,571.73**	**27,203.00**	**17,402.79**	**32.52**	**19,942.78**	**1,474.44**	**562.43**	**416.20**	**513.19**	**3,066.96**	**98,925.99**
At April 01, 2015	**15,739.24**	**1,104.65**	**27,875.92**	**17,047.88**	**38.64**	**11,083.55**	**1,714.97**	**597.30**	**462.92**	**501.77**	**3,571.13**	**79,737.97**

Note:

i) **Finance lease**

The carrying value of finance lease recognised under leasehold land as at March 31, 2017 was INR 60.28 lakh (March 31, 2016 : INR 60.28 lakh, April 1, 2015 : INR 60.28 lakhs) - refer note 32 (C) for additional details.

ii) The Group has availed Ind-AS 101 exemption and continued with the carrying value for all of its Property, plant and equipment as its deemed cost as at the date of transition (refer note 42).

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Lab Equipment	Wind power convertors	Electrical installation and fittings	Office equipments	Computers	Furnitures and fixtures	Vehicles	Total
Gross Block	15,743.76	1,170.02	31,832.67	24,931.70	45.42	18,550.67	2,369.64	1,077.13	680.97	640.57	6,732.71	103,775.24
Accumulated depreciation	4.52	65.37	3,956.74	7,883.82	6.77	7,467.12	654.67	479.83	218.05	138.80	3,161.58	24,037.27
Net block	15,739.24	1,104.65	27,875.93	17,047.88	38.65	11,083.55	1,714.97	597.30	462.92	501.77	3,571.13	79,737.97

iii) Refer note 14 for assets pledged against borrowings.

3(b). Capital work-in-progress (refer note 45)

At March 31, 2017	105,873.31
At March 31, 2016	14,648.83
At March 31, 2015	5,541.88

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **per Pankaj Chadha**
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary &
Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

4 (a). Intangible assets

Particulars	Software	Total
Cost		
At April 01, 2015 (refer note below)	185.76	185.76
Additions	120.71	120.71
Disposal / Adjustments	0.02	0.02
At March 31, 2016	**306.49**	**306.49**
Additions	37.21	37.21
Disposal / Adjustments	-	-
At March 31, 2017	**343.70**	**343.70**
Amortization		
At April 01, 2015	-	-
Amortisation for the year	159.50	159.50
Disposal / Adjustments	(0.01)	(0.01)
At March 31, 2016	**159.49**	**159.49**
Amortisation for the year	94.54	94.54
Disposal / Adjustments	-	-
At March 31, 2017	**254.03**	**254.03**
Net book value		
At March 31, 2017	**89.67**	**89.67**
At March 31, 2016	**147.00**	**147.00**
At April 01, 2015	**185.76**	**185.76**

Note -

The Group has availed Ind AS-101 exemption and continued with the carrying value for all of its Intangible Assets as its deemed cost as at the date of transition (refer note 42).

Particulars	Software	Total
Gross Block	540.10	540.10
Accumulated amortisation	354.34	354.34
Net block	185.76	185.76

4(b). Intangible assets under development

At March 31, 2017	1,719.86
At March 31, 2016	1,355.34
At April 1, 2015	1,348.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

5. Investments

All Amounts in INR Lakh, unless otherwise stated

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current						
Investment in unquoted equity shares carried at fair value through other comprehensive income (FVTOCI)						
Equity shares of INR 10/- each fully paid-up in Nimmi Build Tech Pvt. Ltd	0.100	0.100	0.100	1.08	1.08	1.08
Equity shares of INR 10/- each fully paid-up in Leayan Global Pvt. Ltd	0.100	0.100	0.100	16.93	16.93	16.93
Total				**18.01**	**18.01**	**18.01**
Current						
Investment carried at amortised cost						
Investment in debentures (quoted)						
Debentures of INR 10 lakh each fully paid-up in Kotak Mahindra Prime Limited	-	-	500.000	-	-	5,000.00
Investment carried at fair value through other comprehensive income (FVTOCI)						
Investment in equity shares (quoted)						
Equity shares of INR 10 each fully paid-up in GHCL Limited	-	-	17.500	-	-	1,049.43
Investment carried at fair value through profit and loss (FVTPL)						
Investment in mutual funds (quoted)*						
Birla Sunlife Corporate Bond Fund - Growth Regular	122.110	-	-	1,460.90	-	-
Birla Sun Life Short Term Opportunities Fund - Growth-Regular Plan	-	25.900	25.900	-	642.18	592.40
DSP Blackrock Income Opportunity Fund	19.430	-	-	534.90	-	-
DSP BlackRock FMP - Series 104 - 12 Month - Regular - Growth	-	110.000	110.000	-	1,388.19	1,281.26
Franklin India Income Opportunity Fund - Growth	77.160	77.160	77.160	1,470.43	1,321.08	1,244.51
HDFC Corporate Debt opportunity Fund – Regular Growth	48.380	48.380	48.380	655.88	593.66	544.15

All Amounts in INR Lakh, unless otherwise stated

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
HDFC Prudence Fund - Regular Plan - Growth	-	0.240	-	-	25.54	-
HDFC FMP 371-D – June 2014 (3) Series 31 - Regular - Growth	50.000	50.000	50.000	626.74	578.63	533.17
ICICI Prudential FMP Series 72 - Direct Plan	-	50.000	50.000	-	604.06	555.55
ICICI prudential Corporate Bond Fund - Direct Plan - Growth	20.330	-	-	534.87	-	-
IDFC Ultra Short Term Fund-G-Direct Plan	-	-	25.930	-	-	507.93
Religare Invesco Ultra Short Term Fund-Direct Plan -G	-	-	0.260	-	-	505.27
Kotak liquid scheme plan A-G	-	-	0.350	-	-	1,001.73
SBI Magnum Insta Cash Fund - RP - G	-	-	1.130	-	-	3,489.70
SBI Magnum Insta Cash Fund Liquid Floater - RP - G	-	-	0.680	-	-	1,613.23
SBI Premier liquid fund-Reg-G	-	-	0.910	-	-	2,002.91
ICICI Prudential FMP Series 77 - 1100 Days Plan M Cumulative	100.000	100.000	-	1,175.81	1,031.37	-
ICICI Prudential Regular Saving Fund – Regular Plan Growth	36.840	36.840	36.840	639.94	581.73	540.35
Kotak FMP Series 105 Direct - Growth	-	100.000	100.000	-	1,273.68	1,172.91
TATA Fixed Maturity Series 46 Scheme I	-	50.000	50.000	-	601.79	553.61
Kotak FMP Series 107 Regular - Growth	-	50.000	50.000	-	634.08	584.99
IDFC Super Saver Income fund - Investment growth regular plan	-	16.910	16.910	-	606.08	577.74
IDFC Money Manager Fund - Treasury Plan - Direct Growth	-	0.060	-	-	1.53	-
IIFL Cash opportunity fund	-	342.160	-	-	3,628.80	-
Kotak Equity Arbitrage Fund - Direct Plan- Fortnightly Dividend Pay - Reinvest	149.220	-	-	3,546.27	-	-
Kotak Income Opportunity Fund - Direct Plan – Growth	28.830	-	-	538.16	-	-
Kotak Income Opportunity Fund - Regular Plan - Growth	72.020	72.020	72.020	1,292.26	1,174.75	1,076.60
Kotak Low Duration Fund - Direct Growth	0.004	-	-	9.03	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	Units (No. in lakh)			Amount (INR in lakh)		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investment in mutual funds (quoted)*						
Reliance Money Manager Fund	0.220	-	-	500.00	-	-
SBI Treasury Advantage Fund - Regular Plan - Growth	-	9.640	-	-	16,178.27	-
SBI Arbitrage Opportunities Fund - Dividend Payout	283.790	-	-	4,019.07	-	-
SBI Corporate Bond Fund - Direct Plan - Growth	39.920	-	-	1,068.62	-	-
SBI Premier Liquid Fund - Direct Plan - Growth	0.390	-	-	1,000.28	-	-
SBI Debt fund Series 34 Regular Growth	-	50.000	50.000	-	633.26	584.36
SBI Debt fund Series 34 Direct Growth	-	50.000	50.000	-	635.56	585.67
SBI Short Term Debt Fund - Direct Plan	62.690	-	-	1,205.67	-	-
SBI Ultra Short Term Debt Fund - Regular Plan - Growth	2.500	2.690	-	5,247.61	5,231.83	-
UTI - Income Opportunity Fund - Direct Plan - Growth	42.330	-	-	662.98	-	-
UTI Fixed Term Income Fund Series XXII-VI (1098 Days)	250.000	250.000	-	2,990.53	2,675.35	-
UTI Fixed Term Income Fund Series XXVI-V (1160 Days)	50.000	-	-	501.89	-	-
				29,681.84	**40,041.42**	**19,548.03**
Total				**29,681.84**	**40,041.42**	**25,597.46**
Aggregate amount of unquoted investments				**18.01**	**18.01**	**18.01**
Aggregate amount of quoted investments				**29,681.84**	**40,041.42**	**25,597.46**
Aggregate market value of quoted investments				**29,681.84**	**40,041.42**	**25,597.46**
*Aggregate market value of quoted investments lien marked against borrowings (refer note 14)				**17,740.30**	**15,788.18**	**10,427.25**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

6. Loans (carried at amortised cost)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Unsecured, considered good			
Security deposits	**723.83**	689.71	560.82
Total	**723.83**	689.71	560.82
Current			
Unsecured, considered good			
Security deposits	**74.61**	29.63	36.21
Loans to related parties	**930.83**	930.83	3,744.79
Loans to employees*	**485.85**	449.96	324.54
Unsecured, considered doubtful			
Other loans	**120.00**	143.23	136.48
	1,611.29	1,553.65	4,242.02
Less: Provision for doubtful loans	**(120.00)**	(143.23)	(136.48)
Total	**1,491.29**	**1,410.42**	**4,105.54**

* The Group has given loan to its employees which are repayable in twelve months and do not carry any interest.

7. Other financial assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Unsecured, considered good			
Carried at fair value through profit and loss			
Derivative assets*	**30.61**	985.67	651.24
Carried at amortised cost			
Deposits with remaining maturity for more than 12 months	**-**	5.55	52.01
Interest accrued on fixed deposits	**66.06**	378.42	1,367.23
Margin money deposits with banks	**724.74**	9,189.55	13,960.79
Total	**821.41**	**10,559.19**	**16,031.27**
Current			
Unsecured, considered good			
Carried at fair value through profit and loss			
Derivative assets*	**262.86**	941.50	913.09
Carried at amortised cost			
Interest accrued on fixed deposits	**3.43**	1.85	21.83
Interest accrued on investments	**19.87**	-	319.98
Margin money deposits	**90.07**	67.06	223.38
Others	**-**	1.33	2.42
Total	**376.23**	**1,011.74**	**1,480.70**

* Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those cross currency interest rate swaps, currency options and interest rate swaps that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for external currency borrowings. The decrease/increase in the fair value has been recognised in foreign exchange loss/finance income respectively and offset with a similar gain/loss on the bank borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

8. Other assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Capital advances			
Unsecured, considered good.	**15,217.49**	16,107.05	4,521.58
Doubtful	**148.36**	381.78	241.56
Total	**15,365.85**	**16,488.83**	**4,763.14**
Less: Allowances for doubtful capital advances	**(148.36)**	(381.78)	(241.56)
	15,217.49	**16,107.05**	**4,521.58**
Prepaid expenses	**1,773.90**	1,510.54	1,234.02
Balance with statutory / government authorities			
Unsecured, considered good	**180.48**	152.04	187.55
Doubtful	**64.17**	64.17	64.17
	244.65	**216.21**	**251.72**
Less: Allowances for other doubtful advances	**(64.17)**	(64.17)	(64.17)
	180.48	**152.04**	**187.55**
Other assets - Advances recoverable in cash			
Unsecured, considered good			
Subsidy receivable (refer note 46)	**6,334.77**	2,128.49	-
Other advances	**-**	9.00	5.89
Unsecured, considered Doubtful			
Other advances	**123.31**	123.31	123.31
	6,458.08	**2,260.80**	**129.20**
Less: Provision for doubtful advances	**(123.31)**	(123.31)	(123.31)
	6,334.77	**2,137.49**	**5.89**
Total	**23,506.64**	**19,907.12**	**5,949.04**
Current			
Prepaid expenses	**1,000.48**	**930.44**	**686.76**
Balance with statutory / government authorities			
Unsecured, considered good	**15,262.89**	5,088.71	4,342.40
	15,262.89	**5,088.71**	**4,342.40**
Other loans- advances recoverable in cash			
Unsecured, considered good (refer note 44)	**10,045.90**	26,623.87	28,198.52
Doubtful	**508.20**	424.96	424.27
	10,554.10	**27,048.83**	**28,622.79**
Less: Allowances for doubtful advances	**(508.20)**	(424.96)	(424.27)
	10,045.90	**26,623.87**	**28,198.52**
Others	**13.01**	**23.67**	**-**
Total	**26,322.28**	**32,666.69**	**33,227.68**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

9. Inventories (at lower of cost or net realisable value)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Raw material and packing material (includes Goods in Transit March 31, 2017 : ₹ 6,535.99 lakh, March 31, 2016 : ₹ 2,829.69 lakh, April 01, 2015 : ₹ 3,695.60 lakh)	**37,481.09**	24,117.59	20,240.46
Work in progress (includes Goods in Transit March 31, 2017 : ₹ 333.30 lakh, March 31, 2016 : nil, April 01, 2015: nil)	**7,325.28**	5,548.81	4,260.73
Finished goods (includes Goods in Transit March 31, 2017: ₹ 5,019.16 lakh, March 31, 2016 : ₹ 6,423.80 lakh, April 01, 2015 : ₹ 5,177.88 lakh)	**16,580.30**	15,860.15	12,311.68
Stores and spares (includes Goods in Transit March 31, 2017: ₹ 7.09 lakh, March 31, 2016 : ₹ 9.31 lakh, April 01, 2015 : nil)	**2,959.11**	2,372.22	1,837.94
Others	**681.64**	104.61	92.67
Total	**65,027.42**	**48,003.38**	**38,743.48**

10. Trade receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Receivable from related parties			
Unsecured, considered good*	**895.97**	811.72	784.15
Receivable from others			
Unsecured, considered good	**1,926.89**	1,288.54	804.52
Doubtful	**179.75**	161.80	159.72
	3,002.61	**2,262.06**	**1,748.39**
Less: Allowances for doubtful receivables	**(179.75)**	(161.80)	(159.72)
Total	**2,822.86**	**2,100.26**	**1,588.67**

* Represents debts from private companies which have common directors and members.

11 (a). Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balances with banks:			
– On current accounts	**903.49**	972.12	1,166.64
– Deposits with original maturity of less than three months	**-**	202.54	6,520.00
Cash on hand	**110.68**	316.23	332.10
Total	**1,014.17**	**1,490.89**	**8,018.74**

11 (b). Other bank Balances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Other bank Balances			
- Deposits with original maturity for more than 3 months but upto 12 months	**60.22**	35.75	-
Total	**60.22**	**35.75**	**-**

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cash and cash equivalents as per balance sheet	**1,014.17**	1,490.89	8,018.74
Total	**1,014.17**	**1,490.89**	**8,018.74**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

12. Equity share capital

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised share capital			
450.00 lakh (March 31, 2016 : 450.00 lakh and April 01, 2015 : 450 lakh) equity shares of INR 10 each	**4,500.00**	4,500.00	4,500.00
Issued, subscribed and fully paid equity capital			
440.33 lakh (March 31, 2016 : 440.33 lakh and April 01, 2015 : 440.33 lakh) equity shares of INR 10 each	**4,403.25**	4,403.25	4,403.25
Total	**4,403.25**	**4,403.25**	**4,403.25**

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2015	45,000,000	4,500.00
Changes during the year	-	-
At March 31, 2016	**45,000,000**	**4,500.00**
Changes during the year	-	-
At March 31, 2017	**45,000,000**	**4,500.00**

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2015	44,032,500	4,403.25
Changes during the period	-	-
At March 31, 2016	**44,032,500**	**4,403.25**
Changes during the period	-	-
At March 31, 2017	**44,032,500**	**4,403.25**

(iii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During the year ended March 31, 2017, the amount of per share dividend recognised as distributions to equity shareholders was INR 5 (March 31, 2016: INR 11).

In the event of liquidation of the Company, the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of equity shares in proportion to the amount paid up or credited as paid up on equity shares respectively at the commencement of the winding up.

(iv) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri Murli Dhar	**11,610,000**	**26.37%**	11,610,000	26.37%
Shri Bimal Kumar	**11,008,000**	**25.00%**	11,008,000	25.00%
Shri Manoj Kumar	**6,605,000**	**15.00%**	6,605,000	15.00%
Shri Rahul Gyanchandani	**6,605,000**	**15.00%**	6,605,000	15.00%
Shri Rohit Gyanchandani	**6,605,000**	**15.00%**	6,605,000	15.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

(v) Details of dividend declared and paid during the year

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interim dividend for 2015-16 : INR 11 per share	-	4,843.58
Dividend distribution tax @ 20.358%	-	986.04
Interim dividend for 2016-17 : INR 5 per share	**2,201.63**	-
Dividend distribution tax @ 20.358%	**448.20**	-
Total	**2,649.83**	**5,829.62**

(vi) Details of proposed dividend on equity shares

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Proposed dividend for 2016-17 : INR 6 per share	**2,641.95**	-
Dividend distribution tax @ 20.358%	**537.84**	-
Total	**3,179.79**	**-**

Note:

Proposed dividend is subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as on March 31, 2017.

13. Other equity

Particulars	Reserves and surplus				Items of other comprehensive income		Total
	Amalgamation reserve**	General reserve	Debenture redemption reserve*	Retained earnings	Foreign Currency Translation Reserve	Re-measurement gains (losses) on defined benefit plans	
At April 01, 2015	**33.86**	**28,728.09**	**-**	**74,079.13**	**1.47**	**-**	**102,842.55**
Profit for the year	-	-	-	37,650.16	-	-	37,650.16
Other comprehensive income:							
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	23.30	23.30
Income tax effect on above	-	-	-	-	-	(8.06)	(8.06)
Foreign currency translation reserve (FCTR)	-	-	-	-	4.60	-	4.60
Interim dividends	-	-	-	(4,843.58)	-	-	(4,843.58)
Dividend distribution tax	-	-	-	(986.04)	-	-	(986.04)
At March 31, 2016	**33.86**	**28,728.09**	**-**	**105,899.67**	**6.07**	**15.24**	**134,682.93**
Profit for the year	-	-	-	30,403.54	-	-	30,403.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	Reserves and surplus				Items of other comprehensive income		Total
	Amalgamation reserve**	General reserve	Debenture redemption reserve*	Retained earnings	Foreign Currency Translation Reserve	Re-measurement gains (losses) on defined benefit plans	
Other comprehensive income:							
- Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	(190.37)	(190.37)
- Income tax effect on above	-	-	-	-	-	65.99	65.99
- Foreign currency translation reserve	-	-	-	-	(10.74)	-	(10.74)
Dividend distribution tax	-	-	-	-	-	-	-
Transfer to debenture redemption reserve	-	(231.51)	231.51	-	-	-	-
Interim dividends	-	-	-	(2,201.63)	-	-	(2,201.63)
Dividend distribution tax	-	-	-	(448.20)	-	-	(448.20)
At March 31, 2017	**33.86**	**28,496.58**	**231.51**	**133,653.38**	**(4.67)**	**(109.14)**	**162,301.52**

* The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and debentures) Amendment Rules, 2015, requires the company to create debenture redemption reserve (DRR) out of the profits of the company available for payment of dividend. The adequacy of debenture redemption reserve (DRR) will be 25% of the value of outstanding debentures. Accordingly an amount of INR 231.51 lakh has been made to debenture redemption reserve (DRR) as on March 31, 2017 (March 31, 2016: Nil, April 1, 2016: Nil)

** Amalgamation reserve is arising as a result of scheme of merger of Ghari Industries Private Limited and Rohit Surfactant Private Limited (now RSPL Limited) effective from April 01, 2006.

14. Borrowings (at amortised cost)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current borrowings			
Debentures (secured)			
9.20% non-convertible debentures (refer note 43)	**20,000.00**	-	-
Total (A)	**20,000.00**	-	-
Term loan from banks (secured)			
Foreign currency loan	**26,674.00**	24,373.25	29,459.28
Indian rupee loan	**8,057.83**	8,499.68	-
	34,731.83	32,872.93	29,459.28
Loan from others (unsecured)			
Finance lease obligations (refer note 32)	**60.28**	60.28	60.28
Total (B)	**34,792.11**	32,933.21	29,519.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current maturities of long-term borrowings (shown under other current liabilities)			
Foreign currency loans from banks	**(6,533.10)**	(8,165.74)	(6,437.67)
Indian rupee loans from banks	**(2,500.00)**	(2,000.00)	-
Total (C)	**(9,033.10)**	**(10,165.74)**	**(6,437.67)**
Total non-current borrowings (A+B+C)	**45,759.01**	**22,767.47**	**23,081.89**
Current			
Secured			
Cash credit from banks	**13,236.60**	9,581.40	1,554.84
Bank overdraft	**9,560.29**	8,486.15	11,251.84
Working capital demand loan	**5,000.95**	-	-
Other borrowings	**783.66**	1,100.67	584.02
Unsecured			
Commercial Papers	**19,702.06**	-	-
Loans from directors and their relatives	**341.27**	844.71	239.71
Buyers credit	**8,526.86**	-	991.45
Total current borrowings	**57,151.69**	**20,012.93**	**14,621.86**
Aggregate secured loans	**74,280.23**	**41,875.41**	**36,412.31**
Aggregate unsecured loans	**28,630.47**	**904.99**	**1,291.44**

14. Borrowings (at amortised cost)

Terms of borrowings:

Foreign currency loan from banks

(i) Foreign currency loan of USD 200 lakh (outstanding as on March 31, 2017 USD Nil, March 31, 2016 USD 25 lakh, April 1, 2015 USD 75 lakh) from Standard Chartered Bank carried interest LIBOR plus 2.15% as per the terms of loan agreement. The loan was repayable in 16 quarterly installments of USD 12.5 lakh each, commencing from October 11, 2012. The loan was secured by:—

i) Equitable mortgage over the immovable fixed assets of the Company at Haridwar unit.

ii) All present and future of the movable properties of the Company including without limitation its movable plant and machinery, furniture and fittings, equipment, computers hardware, computer software, machinery spares, tools and accessories and other movables at Haridwar unit and Jaisalmer unit, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Company's agents, affiliates, associates or representatives or at various worksites or at any up country place or places or wherever else the same may be or be held by any party. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

The Company had entered into cross currency interest rate swap whereby the Company received a applicable floating rate of interest and paid interest at a fixed rate on an amount converted in INR at a strike rate and received prevailing INR/ USD rates on date of settlement.

(ii) Foreign currency loan of USD 200 lakh availed in two tranches of USD 100 lakh each on March 2014 and October 2014 respectively (USD Nil outstanding as on March 31, 2017, USD 158.82 lakh as on March 31, 2016 and USD 194.18 as on April 1, 2015) from Standard Chartered Bank carried interest @ LIBOR plus 2.25% as per the terms of loan agreement. Each tranche was repayable in 17 quarterly installments of USD 5.88 lakh each, commencing from March 27, 2015 and from October 30, 2015 for respective tranches. The loan was secured by:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

i) First and exclusive charge over Company's land and building located at Greater Noida and Haridwar unit.

ii) All movable properties of the Company on first and exclusive charge basis including without limitation its movable plant and machinery, furniture and fittings, equipment, computers hardware, computer software, machinery spares, tools and accessories and other movables at Greater Noida Unit and Jamnagar Unit, both whether lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Company's agents, affiliates, associates or representatives or at various worksites or at any up country place or places wherever else the same may be or be held by any party. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman}.

(iii) Foreign currency loan includes loan taken from Citi bank of USD 140 lakh (outstanding as on March 31, 2017 USD 140 lakh, March 31, 2016 USD Nil, April 1, 2015 Nil) on July 29, 2016, carrying interest @ LIBOR plus 1.20% as per the terms of loan agreement. The loan is repayable in 16 quarterly installments of USD 8.75 lakh each, commencing from November 30, 2017.

Foreign currency loan of USD 200 lakh (USD 130.50 lakh outstanding as on March 31, 2017, previous year USD 180.50 lakh) from Citi Bank carries interest @ LIBOR plus 1.85% as per the terms of loan agreement. The loan is repayable in 4 quarterly installments of USD 6.50 lakh each, commencing from August 27, 2015, and 12 quarterly installments of USD 14.50 lakh each, commencing from August 27, 2016. The loan is secured by:

i) First exclusive charge by way of equitable mortgage on land & building located at

a. Factories - Unit 1 to Unit IV in Dhar,

b. Plot at Aurangabad

c. Factories at Dev Bhoomi industrial estate, Roorki, Haridwar

d. Factories at Rania, Uttar Pradesh

ii) Exclusive charge on company's plant & machinery at:

a. Factories - Unit 1 to Unit IV in Dhar,

b. Plot at Aurangabad

c. Factories at Dev Bhoomi industrial estate, Roorki, Haridwar

d. Factories at Rania, Uttar Prade

e. Wind farm located at Tamil Nadu.

iii) First exclusive charge on the 45.00 lakh units of HDFC FMP 371-D – June 2014 (3) Series 31 - Regular - Growth, 72.02 lakh units of Kotak Income Opportunity Fund - Regular Plan - Growth, 2.50 lakh units of SBI Ultra Short Term Debt Fund - Regular Plan - Growth.

(iv) Foreign currency loan of USD 135.29 lakh (outstanding as on March 31, 2017 USD 135.29 lakh, March 31, 2016 USD Nil, April 1, 2015 Nil) from Standard Chartered Bank carries interest @ LIBOR plus 1.50% as per the terms of loan agreement. The loan is repayable in 17 quarterly installments of USD 7.96 lakh each, commencing from September 27, 2017. The loan is covered by foreign currency swap with premium of 3.75% p.a. repayable in quarterly installments.

The loan is secured by:

i) First and exclusive charge on all present and future movable properties including without limitation its movable plant and machinery, furniture and fittings, equipment, computer hardwares, computer software, machinery spares, tools and accessories and other movables at:

- Plot No. 3A, 6 and 7 Industrial Area, IIE BHEL, Sector 3, Ranipur, Haridwar district, Uttaranchal
- Plot No. 4, Udyog Vihar, Ecotech - 02 Greater Noida Industrial development area, District - Gautam Budh Nagar, Uttar Pradesh
- Site- Sammana, Village - Naga Gaon, kalavad, District-Jamnagar, Gujarat.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

(v) For borrowing mentioned in point (ii) to (iv) above, the Company has also entered into currency options and Interest rate swap agreement whereby the Company receives applicable floating rate of interest and pays interest at a fixed rate. The swap is being used to hedge the exposure to changes in the fair value of its floating rate external commercial borrowing and currency option is being used to convert loan at a strike rate upto a cap limit.

Indian rupee term loan

(vi) Indian Rupee loan of INR 10,000 lakh (outstanding as on March 31, 2017 INR 6,499.68 lakh, March 31, 2016 INR 8,499.68 lakh, April 1, 2015 INR Nil) from State Bank of India carries interest @ Base Rate plus 0.55% (ranging from 8.55% to 9.85%) as per the terms of Arrangement Letter. The loan is repayable in 14 quarterly installments of INR 500.00 lakh each, commencing from September 31, 2015, and 3 quarterly installments of INR 1,000.00 lakh each, commencing from March 31, 2019. The loan is secured by collateral security having written down value of fixed assets at least 125% of loan amount instead of extension of charge on assets created out of the loan amount. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

(vii) Indian Rupee loan of INR 2,500 lakh (outstanding as on March 31, 2017 INR 1,558.15 lakh, March 31, 2016 INR Nil, April 1, 2015 INR Nil) from State Bank of India carries interest @ Base Rate plus 0.55% (ranging from 8.55% to 9.85%) as per the terms of Arrangement Letter. The loan is repayable in 20 quarterly installments of INR 125.00 lakh each, commencing from June 30, 2017. The loan is secured by first charge on fixed assets (present or future) at Plot no. E-5, Site - V, UPSIDC, Greater Noida, owned by the Company. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

Debentures

(viii) The Company has issued non-convertible debentures (NCDs) on October 14, 2016. NCDs have been listed on National stock exchange (NSE). It carries interest rate of 9.20% p.a. and redeemable after 10 years. The Debenture is secured by all the movable and immovable properties situated at the following locations:

i) Wind mills power projects of the Company situated at Barora Ganv, Taluk Jaisalmer, District Jaisalmer, Rajasthan.

ii) Wind mills situated at Jirkan village, post - Badvan district Mandsaur and Jagoti village , Tehsil Mehidpur, District Ujjain, Madhya pradesh.

iii) Plot no. 42-46 and 49-53, MPAKVN Growth centre, Sidhgawan, Sagar, Madhya Pradesh.

iv) Village and post - Bithauli, P.S. Bhagwanpur, District - Vaishali, Bihar.

Cash credit and Working capital demand loan

(ix) The Group has availed cash credit facility and working capital demand loan facility from various banking institutions of INR 13,236.60 lakh (March 31, 2016 INR 9,581.40 lakh, April 1, 2015 INR 1,554.84) and they carry interest rate from ranging from 8.35% p.a to 12.00% p.a as per terms of arrangement letter. The loan is secured by:

i. 1st charge on pari passu basis with multiple banking arrangement over entire current assets (present and future) of the company consisting of raw material, stock in process, finished goods, stores & spares, goods in transit, book debts and all other current assets.

ii. Charge on the 122.11 lakh units of Birla Sunlife Corporate Bond Fund - Growth Regular, 19.43 lakh units of DSP Blackrock Income Opportunity Fund, 48.38 lakh units of HDFC Corporate Debt opportunity Fund – Regular Growth, 20.33 lakh units of ICICI prudential Corporate Bond Fund - Direct Plan – Growth, 100 lakh units of ICICI Prudential FMP Series 77 - 1100 Days Plan M Cumulative, 28.83 lakh units of Kotak Income Opportunity Fund - Direct Plan – Growth, 39.92 lakh units of SBI Corporate Bond Fund - Direct Plan – Growth, 62.69 lakh units of SBI Short Term Debt Fund - Direct Plan, 42.33 lakh units of UTI - Income Opportunity Fund - Direct Plan – Growth and 250 lakh units of UTI Fixed term income fund series XXII-VI (1098 days).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Bank Overdraft

(x) The Company has availed overdraft facilities from various banking institutions of INR 9,560.29 lakh (March 31, 2016 INR 8,486.15 lakh, April 1, 2015 INR 11,251.84) and they carry interest rate ranging from 7.50% p.a to 9.50% p.a as per terms of arrangement letter. The overdraft facilities are secured by pledge of fixed deposits.

Commercial papers

(xi) The Company has issued commercial papers (unsecured) during the year to banking institutions & mutual fund companies and carrying value as at March 31, 2017 was INR 19,702.06 lakh (March 31, 2016 Nil, April 1, 2015 Nil) bearing interest rate of ranging from 6.45% p.a. to 7.75% p.a. The commercial papers are repayable by June, 2017.

Buyers credit

(xii) The Company has taken buyers credit facility from banks and other financial institutions amounting to INR 8,526.86 lakh as on March 31, 2017 (March 31, 2016 Nil, April 1, 2015 INR 991.45 lakh) bearing interest rate ranging from 1.01% p.a. to 1.41% p.a and the same are unsecured in nature and repayable during the period from April 24, 2017 to June 23, 2017.

Other borrowings

(xii) One of the foreign subsidiary has availed short-term borrowing facility from banks in respect of import duty financing, import invoice financing and loan against trust receipts (LATR). Amount outstanding as on March 31, 2017 was INR 783.66 lakh (March 31, 2016 : ₹ 1100.67 lakh, April 1, 2015 : INR 584.02 lakh) being interest rate ranging from 10% to 12%. The borrowing facilities are secured by 1st charge over stocks of raw material, stock in process, finished goods, stores & spares and goods in transit and book debts of the Company and payable in 60 days to 150 days from the date of facilities availed.

Loans from directors and their relatives

(xiii) The Company has taken loan from directors and their relatives amounting to INR 341.27 lakh as on March 31, 2017 (March 31, 2016 INR 844.71 lakh, April 1, 2015 INR 239.71 lakh) bearing interest rate ranging from 9.00% to 9.53% p.a. and the same are unsecured in nature and repayable on demand.

15. Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non - current			
Provision for employee benefits			
Provision for gratuity (refer note 31)	**1,641.58**	859.58	435.74
Provision for leave benefits	**867.69**	690.35	411.94
Total	**2,509.27**	**1,549.93**	**847.68**
Current			
Provision for employee benefits			
Provision for gratuity (refer note 31)	**98.10**	29.63	59.09
Provision for leave benefits	**157.93**	10.16	52.73
Total (A)	**256.03**	**39.79**	**111.82**
Other provisions			
Provision for contingencies	**160.50**	150.00	150.00
Provision for wealth tax	**8.50**	8.50	8.50
Total (B)	**169.00**	**158.50**	**158.50**
Total (A + B)	**425.03**	**198.29**	**270.32**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Movement in provisions:

Particulars	Provision for contingencies	Provision for wealth tax	Total
At April 01, 2015	150.00	8.50	158.50
Addition during the year	-	-	-
Utilised during the year	-	-	-
At March 31, 2016	**150.00**	**8.50**	**158.50**
Addition during the year (refer note 43)	10.50	-	10.50
Utilised during the year	-	-	-
At March 31, 2017	**160.50**	**8.50**	**169.00**

16. Income Tax

The major components of income tax expense for the years ended are March 31, 2017 and March 31, 2016 are:

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current income tax:		
Current income tax charge	**13,452.89**	19,006.67
Income tax adjustment related to earlier years	**567.91**	1.53
Deferred tax:		
Relating to origination and reversal of temporary differences	**(335.45)**	698.10
Income tax expense reported in the statement of profit or loss	**13,685.35**	**19,706.30**

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Net loss / (gain) on remeasurements of defined benefit plans	**(65.99)**	8.06
Income tax charged to OCI	**(65.99)**	**8.06**

Reflected in the balance sheet as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Income tax assets	**448.23**	297.75	79.51
Current income tax liabilities	**(990.75)**	(7,529.49)	(882.67)
Net current income tax assets / (liabilities) at the end	**(542.52)**	**(7,231.74)**	**(803.16)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2016:

Particulars	March 31, 2017	March 31, 2016
Accounting profit before income tax	**44,088.89**	57,356.46
At statutory income tax rate	**15,357.68**	20,229.96
Adjustments:		
- Income tax for earlier years	**567.91**	1.53

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	March 31, 2017	March 31, 2016
Permanent difference on account of following:		
- Expenses not allowed under Income tax act	**191.02**	1,255.83
- Income not taxable under Income tax act	**(515.16)**	-
- Tax incentives given under Income tax act	**(1,811.35)**	(1,707.86)
- Brought forward loss adjustments	**(82.68)**	(52.38)
- Others	**(22.07)**	(20.78)
At the effective income tax rate of 31.04% (March 31, 2016: 34.36%)	**13,685.35**	**19,706.30**
Income tax expense reported in the statement of profit and loss	**13,685.35**	**19,706.30**

Deferred tax:

Particulars	Balance Sheet		
	As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**
Deferred tax relates to the following:			
Impact of difference between tax and depreciation/ amortization charged for the financial reporting	**(7,449.70)**	(6,004.79)	(4,943.19)
Post-employment benefits	**939.09**	540.12	339.52
Expenses allowable for tax purposes on payment basis	**1,001.38**	812.21	471.22
Subsidy from Government	**1,137.45**	392.54	-
Fair value adjustments of investments	**(774.39)**	(917.38)	(420.54)
Provision for doubtful debts and advances	**395.84**	449.64	
MAT credit entitlement	**36.22**	-	-
Other	**(214.17)**	(602.07)	(70.63)
Net deferred tax assets/ (liabilities)	**(4,928.28)**	**(5,329.73)**	**(4,623.62)**

Particulars	Statement of profit and loss	
	For the year ended March 31, 2017	**For the year ended March 31, 2016**
Deferred tax relates to the following:		
Impact of difference between tax and depreciation/amortization charged for the financial reporting	**(1,444.90)**	(1,061.61)
Post-employment benefits	**398.96**	200.60
Expenses allowable for tax purposes on payment basis	**189.17**	340.99
Subsidy from Government	**744.91**	392.54
Fair value adjustments of investments	**142.99**	(496.84)
Provision for doubtful debts and advances	**(53.80)**	449.64
MAT credit entitlement	**36.22**	-
Other	**387.90**	(531.44)
Net deferred tax assets / (liabilities)	**401.45**	**(706.11)**

Reflected in the balance sheet as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deferred tax assets	**3,509.98**	2,194.51	810.74
Deferred tax liabilities	**(8,438.26)**	(7,524.24)	(5,434.36)
Deferred tax assets (net)	**119.58**	**-**	**-**
Deferred tax liabilities (net)	**(5,047.86)**	**(5,329.73)**	**(4,623.62)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Reconciliation of deferred tax liabilities (net):

Particulars	March 31, 2017	March 31, 2016
Opening balance	**(5,329.73)**	(4,623.62)
Tax income/(expense) during the period recognised in profit or loss	**335.45**	(698.06)
Tax income/(expense) during the period recognised in OCI	**65.99**	(8.06)
Closing balance	**(4,928.28)**	**(5,329.74)**

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

The Group has paid interim dividend to its shareholders which has resulted in payment of DDT to the taxation authorities. The Group believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence, DDT paid is charged to equity.

17. Other liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current			
Deferred subsidy related to government grant (refer note below)	**9,282.10**	3,046.01	-
Total	**9,282.10**	**3,046.01**	**-**
Current			
Advance from dealers*	**9,893.71**	14,725.55	19,598.41
Deferred subsidy related to government grant (refer note below)	**339.37**	216.75	-
Statutory liabilities #	**2,906.88**	3,445.12	3,913.90
Other payables	**-**	0.60	-
Total	**13,139.96**	**18,388.02**	**23,512.31**

* Represents non-interest bearing advances received from customers against confirmed orders.

Statutory liabilities mainly pertains to TDS, PF, ESIC, Excise duty, sales tax and other taxes payable.

Movement of government grant (refer note 46)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Opening balance	**3,262.76**	**-**	
Sanctioned during the year	**2,887.66**	5,052.07	-
Remaining eligibility	**6,830.43**	-	-
Released to the statement of profit and loss	**3,359.38**	1,789.31	-
Closing balance	**9,621.47**	**3,262.76**	**-**
Current	**339.37**	216.75	-
Non-current	**9,282.10**	3,046.01	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

18. Trade payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 44)	**46,538.14**	44,369.06	39,766.81
Total outstanding dues of micro enterprises and small enterprises	**208.03**	115.87	440.28
Total	**46,746.17**	**44,484.93**	**40,207.09**

Note: Refer note 39 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30 to 60 days terms except partial advance payment to major raw material vendors.
- For terms and conditions with related parties, refer to Note 33.
- For explanations on the Group's credit risk management processes, refer to note 37.

19. Other current financial liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Payables on purchase of fixed assets	**11,809.29**	579.61	70.80
Interest accrued but not due on borrowings	**1,372.11**	165.37	413.72
Books overdraft	**218.57**	5.79	-
Current maturity of long-term borrowings (refer note 14)	**9,033.10**	10,165.74	6,437.67
Total	**22,433.07**	**10,916.51**	**6,922.19**

Terms and conditions of the above financial liabilities:

- Payable to capital creditors are non-interest bearing and are settled as per the terms of purchase orders that are less than twelve months.
- For explanations on the Company's credit risk management processes, refer to Note 37.

20. Current tax liabilities / assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Income tax assets (net)	**448.23**	297.75	79.51
Total	**448.23**	**297.75**	**79.51**
(b) Current income tax liabilities (net)	**990.75**	7,529.49	882.67
Total	**990.75**	**7,529.49**	**882.67**

21. Revenue from operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of products (including excise duty)		
Finished goods	**449,770.74**	466,775.02
Traded goods	**-**	103.52
Total (A)	**449,770.74**	**466,878.54**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Other operating revenue		
Raw material / By-products	**1,791.25**	1,246.65
Power	**3,887.22**	1,781.99
Others	**1,011.78**	1,048.96
Total (B)	**6,690.25**	**4,077.60**
Total (A + B)	**456,460.99**	**470,956.14**

Note : Excise duty collected from customers included in sale of products amounted to ₹ 47,596.71 lakh (March 31, 2016 : ₹ 49,594.45 lakh. Sales of product net of excise duty is ₹ 402,174.03 lakh (March 31, 2016: ₹ 417,284.09 lakh).

22. Other income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income on financial assets carried at amortised cost:		
Bank deposits	**347.27**	1,379.65
Current investments	**-**	287.76
Others	**88.40**	60.43
	435.67	**1,727.84**
Net gain on instruments at fair value through profit and loss		
Fair value gain / loss on investments	**1,429.48**	1,471.71
Dividend income on current investments	**154.13**	33.06
Fair value gain / (loss) on derivative instruments	**1,633.70**	362.85
Profit on sale of investments	**1,825.38**	1,577.42
	5,042.69	**3,445.04**
Other non-operating income		
Profit on sale of property, plant and equipment (net)	**23.43**	-
Government grant (refer note 46)	**2,863.74**	1,789.30
Miscellaneous income	**570.31**	434.89
	3,457.48	**2,224.19**
Total	**8,935.84**	**7,397.07**

23. Cost of raw materials and component consumed

a. Raw material and components consumed

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the beginning of the year	**24,117.59**	20,240.46
Add: Purchases	**291,952.83**	287,441.22
	316,070.42	307,681.68
Less: Inventory at the end of the year	**(37,481.09)**	(24,117.59)
Net consumption	**278,589.33**	**283,564.09**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

b. Increase in inventories of finished goods, work-in-progress and components

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the end of the year		
Finished goods	**16,580.30**	15,860.15
Work in progress	**7,325.28**	5,548.81
Others	**681.64**	104.61
Inventory at the beginning of the year		
Finished goods	**(15,860.15)**	(12,311.68)
Work in progress	**(5,548.81)**	(4,260.73)
Others	**(104.61)**	(92.67)
Excise duty on increase of finished goods	**(484.33)**	(51.24)
Net change	**2,589.32**	**4,797.25**

24. Employee benefits expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages and bonus	**20,112.54**	17,890.68
Contribution to provident fund and other funds (Note 31)	**2,636.07**	2,053.04
Gratuity expense (Note 31)	**673.26**	478.11
Staff welfare expenses	**817.88**	952.86
Total	**24,239.75**	**21,374.69**

25. Depreciation and amortization expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on property, plant and equipment (refer to note 3 (a))	**7,623.87**	6,427.04
Amortisation on intangible assets (refer to note 4 (a))	**94.54**	159.50
Total	**7,718.41**	**6,586.54**

26. Finance costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense:		
- Interest expense on borrowings (refer note 45(1))	**3,131.01**	3,382.59
- to directors and their relatives	**47.57**	125.93
- to others	**16.46**	157.60
Other finance charges	**136.76**	87.08
Total	**3,331.80**	**3,753.20**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

27. Other expenses (refer note 45 (2))

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Advertisement	**12,651.78**	14,010.02
Donations	**55.14**	111.94
CSR expenditure (refer details below)	**479.31**	256.73
Royalty	**4.43**	-
Directors remuneration	**4,412.31**	3,915.69
Exchange differences (net)	**979.42**	369.86
Freight and forwarding charges	**12,473.89**	12,742.84
Fixed assets written off	**-**	27.75
Insurance	**301.16**	272.36
Legal & professional fees	**1,315.09**	769.49
Loss on sale of fixed assets (net)	**-**	2.36
Loss on investments	**6.25**	-
Postage, telegram and telephone	**425.19**	359.21
Power and fuel	**6,634.45**	6,988.01
Printing and stationery	**232.23**	322.25
Balances written off	**68.80**	0.30
Provision for doubtful loans & advances	**174.42**	147.65
Provision for doubtful receivables	**17.94**	2.08
Provision for unpaid liabilities	**97.10**	-
Rates and taxes	**1,568.55**	1,671.53
Payment to auditor (refer details below)	**184.54**	27.45
Rent	**904.03**	767.37
Repairs and maintenance:		
- Buildings	**430.54**	524.95
- Plant and machinery	**7,867.62**	6,819.82
- Others	**8.76**	400.66
Sales promotion	**4,128.28**	4,203.32
Travelling and conveyance	**3,564.96**	3,165.85
Contract labour	**2,984.31**	2,592.00
Miscellaneous expenses	**450.76**	449.54
Total	**62,421.26**	**60,921.03**

Payment to auditors:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
As auditor:		
For audit	**123.67**	26.93
For other services	**60.50**	-
For reimbursement of expenses	**0.37**	0.52
	184.54	**27.45**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Details of CSR expenditure:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Gross amount required to be spent by the Company during the year	**834.85**	669.04
Particulars	**In Cash**	**In Cash**
Amount spent for the year		
(i) Construction/acquisition of asset	**199.87**	-
(ii) on purposes other than (i) above	**279.44**	256.73
Balance amount required to be spent	**355.54**	**412.31**

28. Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2017:

Particulars	Retained earnings	Total
Re-measurement losses on defined benefit plans	**190.37**	**190.37**
Income tax effect	**(65.99)**	**(65.99)**
Total	**124.38**	**124.38**

During the year ended March 31, 2016:

Particulars	Retained earnings	Total
Re-measurement gains on defined benefit plans	**(23.30)**	(23.30)
Income tax effect	**8.06**	8.06
Total	**(15.24)**	**(15.24)**

29. Earnings per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations :

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit attributable to equity holders of the parent	**30,403.54**	37,650.16
Weighted average number of equity shares used for computing Earning per Share (Basic and Diluted)	**44,032,500**	44,032,500
Basic and diluted earning per share (INR)	**69.05**	**85.51**
Face value per share (INR)	**10.00**	**10.00**

Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share:

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of INR 10 per share:		
As at April 01, 2015	**44,032,500**	44,032,500.00
Issued during the year 2015-16	-	-
As at March 31, 2016	**44,032,500**	**44,032,500.00**
Issued during the year 2016-17	-	-
As at March 31, 2017	**44,032,500**	**44,032,500.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

30. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

a. Operating lease commitments – Group as a lessee

The Group has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Also pursuant to requirements of Ind-AS 17, the Group has done straight lining of lease rentals only in cases where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

b) Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

c) Defined benefit plans (gratuity benefits)

Refer note 2(o) for the policy in relation to the defined benefit plans.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

about these factors could affect the reported fair value of financial instruments. See Note 35 and 36 for further disclosures.

e) Impairment of financials assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) Contingencies

Contingent liabilities may arise from ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more future events occur or failed to occur. The assessment of existence and potential quantum of contingencies inherently involves exercise of significant judgement and use of estimates regarding the outcome of future events. Accordingly, the Company has created a provision of ₹ 160.50 lakh (March 31, 2016 : ₹ 150 lakh, April 1, 2015 : ₹ 150 lakh).

31. Employee benefit plans

Defined contribution plans

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. The Group has no obligation, other than the contribution payable to the provident fund and superannuation fund.

Defined benefit plans

Gratuity:

The Group has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance Group in the form of qualifying insurance policy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review.

The Group is maintaining a fund with the State Bank of India (SBI) to meet its gratuity liability. The present value of the plan assets represents the balance available with the SBI as at the end of the year. The total value of plan assets is as certified by the SBI.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Defined benefit obligation at the beginning of the year	**2,127.72**	1,616.23	1,179.99
Current service cost*	**614.39**	439.38	344.93
Interest cost	**156.59**	129.57	92.03
Benefits paid	**(88.55)**	(33.08)	(30.09)
Actuarial (gain)/ loss on obligations - OCI	**187.86**	(24.58)	29.37
Exchange difference**	**(0.55)**	0.20	-
Defined benefit obligation at the end of the year	**2,997.45**	**2,127.72**	**1,616.23**

* Includes expenses of one of the subsidiary in which liability has been determined on actual basis.

** Exchange differences arise due to conversion of gratuity expenses and closing liability from TAKA (foreign currency) to INR (functional currency).

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All Amounts in INR Lakh, unless otherwise stated

Changes in the fair value of plan assets are, as follows:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Fair value of plan assets at the beginning of the year	**1,238.51**	1,121.40	961.00
Contribution by employer	**-**	51.75	102.66
Benefits paid	**(78.46)**	(31.10)	(30.09)
Interest Income	**92.89**	90.84	75.92
Return on Plan Assets excluding Interest Income	**4.83**	5.62	11.91
Fair value of plan assets at the end of the year	**1,257.77**	**1,238.51**	**1,121.40**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Fair value of plan assets	**1,257.77**	1,238.51	1,121.40
Defined benefit obligation	**2,997.45**	2,127.72	1,616.23
Amount recognised in the balance sheet	**1,739.68**	**889.21**	**494.83**

Amount recognised in statement of profit and loss:

Particulars	March 31, 2017	March 31, 2016
Current service cost	**614.39**	439.38
Net interest expense	**58.87**	38.73
Amount recognised in Statement of Profit and Loss	**673.26**	**478.11**

Amount recognised in other comprehensive income:

Particulars	March 31, 2017	March 31, 2016
Actuarial changes arising from changes in financial assumptions	**189.12**	(23.94)
Experience adjustments	**1.25**	0.64
Return on plan assets excluding interest income	**(4.83)**	(5.62)
Amount recognised in other comprehensive income	**185.54**	**(28.92)**

The principal assumptions used in determining gratuity liability for the Group's plans are shown below:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Discount Rate	**7.5%**	8.10%	7.90%
Discount Rate For Foreign Subsidiary	**9.00%**	9.00%	9.00%
Future Salary Increases	**5.00% P.A. For Workers 10.00% P.A. For Staff**	5.00% P.A. For Workers 10.00% P.A. Forstaff	5.00% P.A. For Workers 10.00% P.A. For Staff
Mortality Rate	**IALM (2006-08)**	IALM (2006-08)	IALM (2006-08)

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 is as shown below:

Gratuity Plan	Sensitivity level		Impact on DBO	
Particulars	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Assumptions				
Discount rate	**0.5%**	0.5%	**2,754.02**	206.65
	-0.5%	-0.5%	**355.14**	38.00
Future salary increases	**0.5%**	0.5%	**3,254.35**	244.75
	-0.5%	-0.5%	**300.13**	32.25
Attrition rate	**0.5%**	0.5%	**2,990.09**	224.44
	-0.5%	-0.5%	**326.59**	35.09
Mortality Rate	**10.0%**	10.0%	**2,997.14**	225.05
	-10.0%	-10.0%	**325.62**	34.91

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2017	March 31, 2016
Within the next 12 months (next annual reporting period)	**101.76**	30.93
Between 2 and 5 years	**264.97**	187.68
Between 5 and 10 years	**602.90**	471.02
Total expected payments	**969.63**	**689.63**

32. Commitments and Contingencies

A. Commitments

Capital commitment	March 31, 2017	March 31, 2016	April 01, 2015
Estimated value of contracts in capital account remaining to executed (net of advance)	**155,664.63**	114,256.22	2,208.82
Total	**155,664.63**	**114,256.22**	**2,208.82**

B. Operating leases

The Group has entered into commercial leases on certain immovable property. These leases have different life period ranging from one to ninety nine years with separate escalation clauses between 5 to 10% p.a. There are no restrictions placed upon the Group by entering into these leases and there are no sub leased. There are no contingent rents.

The Group has paid INR 883.89 lakh (March 31, 2016: INR 743.64 lakh) during the year towards minimum lease payment.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2017	March 31, 2016
Within one year	**5.58**	1.35
After one year but not more than five years	**63.22**	16.33
More than five years	**19.45**	4.38

C. Finance lease commitments

The Group have finance lease of land parcels. The Group's obligation under the finance lease are secured by lessor's title to leased assets. Future minimum lease payments under finance leases together with present value of minimum lease payments are, as follows:

	March 31, 2017	
Particulars	**Minimum lease payments**	**Present value of MLP**
Not later than one year	**6.96**	**6.24**
Later than one year but not later than five years	**27.85**	**19.14**
Later than five years	**505.85**	**34.90**
Total minimum lease payments	**540.66**	**60.28**
Less: amounts representing finance charges	**480.38**	**-**
Present value of minimum lease payments	**60.28**	**60.28**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

	March 31, 2016	
Particulars	**Minimum lease payments**	**Present value of MLP**
Not later than one year	6.96	6.24
Later than one year but not later than five years	27.85	19.14
Later than five years	512.82	34.90
Total minimum lease payments	**547.63**	**60.28**
Less: amounts representing finance charges	487.35	-
Present value of minimum lease payments	**60.28**	**60.28**

	April 01, 2015	
Particulars	**Minimum lease payments**	**Present value of MLP**
Not later than one year	6.96	6.24
Later than one year but not later than five years	27.85	19.14
Later than five years	519.78	34.90
Total minimum lease payments	554.59	60.28
Less: amounts representing finance charges	494.31	-
Present value of minimum lease payments	**60.28**	**60.28**

D. Contingent liabilities

Claims against the Group not acknowledged as debts*:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Sales tax matters	**433.17**	1,028.18	461.11
Excise duty and service tax matters	**388.53**	187.47	284.83
Income tax matters	**76.05**	34.73	34.73

* It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums / authorities.

Sales tax, Excise and Service tax matters

The Group's pending litigations comprise of claims against the Group pertaining to proceedings pending with Excise, sales tax / VAT and other authorities on account of certain disallowances. The Group has reviewed all its pending litigation and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on experts advice, The Group is confident that the matter will be resolved in its favour.

Income tax matters

During the previous years, the department has disallowed certain expenses giving rise to a demand of INR 34.73 lakh in respect of assessment year 2004-05, against which the Company has filled appeal with CIT(A). CIT(A) passed the order restricting the disallowances against which department filled an appeal with ITAT. The matter is pending with ITAT. Amount relating to March 31, 2017 : 34.73 lakh, March 31, 2016 : ₹ 34.73 lakh, April 1, 2015 : ₹ 34.73 lakh.

During the current year, the department has disallowed certain expenses giving rise to a demand of INR 41.32 lakh in respect of assessment year 2013-14, against which the Company had filled appeal with CIT(A). The matter is pending with CIT(A). Amount relating to March 31, 2017 : 41.32, March 31, 2016 : ₹ nil, April 1, 2015 : ₹ nil.

Based on experts advice, the Company is confident that the matter will be resolved in its favour.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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33. Related party transactions

A. Name of Related Party and Relationship

Key Management Personnel

Mr. Murli Dhar	Executive Chairman
Mr. Bimal Kumar	Managing Director
Mr. Rahul Gyanchandani	Joint Managing Director
Mr. Manoj Kumar	Whole Time Director
Mr. Rohit Gyanchandani	Whole Time Director
Mr. Tara Chand	Whole Time Director (upto December 31, 2016)
Mr. Naresh Kumar Phoolwani	Whole Time Director (appointed w.e.f. January 01, 2017)
Mr. Sushil Kumar Bajpai	Company Secretary and Chief Financial Officer

Others (Non-Executive)

Mrs. Kamla Devi	Non-executive Director
Dr. R.P. Singh	Independent Director
Dr. J.N. Gupta	Independent Director
Mrs. Renuka Gulati	Independent Director

Enterprises in which Key Management personnel, others (non-executive) or their relatives have control/ significant influence

Rene Solutions
Leayan Global Private Limited
H D Wires Private Limited
Nimmi Build Tech Private Limited
Manoj Developers & Infrastructure Private Limited
Ghari Industries (India) Private Limited
Rahul Realtors & Developers Private Limited
Gyanchandani Housing & Infrastructures Private Limited
True Value IT Applitech Private Limited
Namastey India Microfinance Private Limited
NIF Private Limited
Rohit Real Estate Private Limited
Mansys Marketing Private Limited
Ratan Colonisers Private Limited
Omni Farms Private Limited

Relatives of Key Managerial Personnel

Mrs. Seema Gyanchandani	Wife of Mr. Rahul Gyanchandani
Mrs. Rajani Gyanchandani	Wife of Mr. Manoj Kumar
Mrs. Shivani Arora	Wife of Mr. Rohit Gyanchandani

A body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager

Laxmi Devi Dayal Das Charitable Trust
RSPL Welfare Foundation
RSPL Limited employees gratuity trust

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of goods	Leayan Global Private Limited	**1.14**	1.28
	Laxmi Devi Dayal Das Charitable Trust	**-**	0.23
	NIF Private Limited	**11.86**	18.80
Sale of fixed assets	Nimmi Buildtech Private Limited	**9.76**	-
	NIF Private Limited	**4.26**	-
Sale of services	NIF Private Limited	**49.26**	0.27
	Leayan Global Private Limited	**34.24**	-
Purchase of goods	NIF Private Limited	**17.29**	11.48
	Leayan Global Private Limited	**-**	0.60
Purchase of fixed assets	Leayan Global Private Limited	**9.82**	-
	Mr. Murli Dhar	**-**	75.00
	Mr. Bimal Kumar	**-**	75.00
	Mr. Rohit Gyanchandani	**-**	150.00
	Mrs. Kamla Devi	**-**	150.00
Rent received	Leayan Global Private Limited	**17.16**	15.90
	NIF Private Limited	**7.30**	8.29
	Laxmi Devi Dayal Das Charitable Trust	**0.60**	0.60
Rent Paid	Mr. Murli Dhar	**9.00**	10.50
	Mr. Bimal Kumar	**22.20**	23.10
	Mr. Manoj Kumar	**20.90**	22.56
	Mr. Rohit Gyanchandani	**12.20**	17.46
	Mrs. Kamla Devi	**-**	3.00
	Mr. Rahul Gyanchandani	**11.70**	11.46
	Mrs. Seema Gyanchandani	**14.40**	13.20
Donation Paid	Laxmi Devi Dayal Das Charitable Trust	**131.00**	90.00
	RSPL Welfare foundation	**-**	45.00
Commission C&F Paid	Rene Solutions	**95.36**	100.75
Sales Promotion expenses paid	Rene Solutions	**181.73**	54.08
Reimbursement of travelling exps	Rene Solutions	**2.95**	8.34

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All Amounts in INR Lakh, unless otherwise stated

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
Expenses reimbursed by RSPL Ltd. for them	Leayan Global Private Limited	**0.33**	-
	NIF Private Limited	**4.89**	17.62
	HD Wires Private Limited	-	0.27
	Mr. Murli Dhar	-	7.38
	Mr. Bimal Kumar	-	9.73
	Mr. Rahul Gyanchandani	-	20.61
	Mr. Manoj Kumar	-	7.38
	Mr. Rohit Gyanchandani	-	34.64
	Mrs. Kamla Devi	-	10.19
	Mrs. Seema Gyanchandani	**2.15**	1.84
Expenses reimbursed by them for RSPL Ltd.	Leayan Global Private Limited	-	0.02
Advances given during the year	Rene Solutions	-	13.00
	Leayan Global Private Limited	-	394.02
Advances repayment during the year	Mr. Tara Chand	-	4.71
	Leayan Global Private Limited	-	1,000.76
	Nimmi Buildtech Private Limited	-	2,198.26
	Rene Solutions	-	17.00
Loans taken during the year	Mr. Murli Dhar	**1,324.00**	1,443.65
	Mr. Bimal Kumar	**1,433.00**	1,409.57
	Mr. Rahul Gyanchandani	**755.00**	1,065.20
	Mr. Manoj Kumar	**752.00**	1,076.20
	Mr. Rohit Gyanchandani	**1,133.50**	1,223.70
	Mrs. Kamla Devi	**66.50**	241.24
	Mrs. Seema Gyanchandani	**0.06**	11.00
	Mrs. Rajani Gyanchandani	**12.56**	18.24
Loan repayment during the year	Mr. Murli Dhar	**1,429.10**	1,340.48
	Mr. Bimal Kumar	**1,539.99**	1,326.44
	Mr. Rahul Gyanchandani	**841.27**	1,003.63
	Mr. Manoj Kumar	**860.96**	960.94
	Mr. Rohit Gyanchandani	**1,239.90**	1,151.83
	Mrs. Kamla Devi	**57.26**	218.14
	Mrs. Seema Gyanchandani	-	14.49
	Mrs. Rajani Gyanchandani	-	9.46
Remuneration paid to key Managerial Personnel and others	Mr. Murli Dhar	**498.00**	96.00
	Mr. Bimal Kumar	**498.00**	96.00
	Mr. Rahul Gyanchandani	**390.00**	60.00
	Mr. Manoj Kumar	**390.00**	60.00
	Mr. Rohit Gyanchandani	**390.00**	60.00
	Mr. Tara Chand	**9.49**	8.24
	Mr. Naresh Kumar Phoolwani	**0.85**	-
	Mr. Sushil Kumar Bajpai	**53.35**	33.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Nature of transaction	Name of related party	For the year ended March 31, 2017	For the year ended March 31, 2016
	Mrs. Renuka Gulati	**1.60**	0.25
	Mr. Jagannath Gupta	**2.40**	1.25
	Mr. Rajinder Pal Singh	**1.80**	1.45
Commission paid	Mr. Murli Dhar	**446.03**	706.50
	Mr. Bimal Kumar	**446.03**	706.50
	Mr. Rahul Gyanchandani	**446.03**	706.50
	Mr. Manoj Kumar	**446.03**	706.50
	Mr. Rohit Gyanchandani	**446.03**	706.50
Dividend Paid	Mr. Murli Dhar	**580.50**	1,277.10
	Mr. Bimal Kumar	**550.40**	1,210.88
	Mr. Rahul Gyanchandani	**330.25**	726.55
	Mr. Manoj Kumar	**330.25**	726.55
	Mr. Rohit Gyanchandani	**330.25**	726.55
	Mrs. Kamla Devi	**65.93**	145.04
	Mrs. Rajani Gyanchandani	**14.05**	30.91

Nature of balances	Name of related party	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balances at year end:				
Interest accrued on Loans taken	Mr. Murli Dhar	**9.71**	22.72	14.27
	Mr. Bimal Kumar	**7.03**	20.66	17.01
	Mr. Rahul Gyanchandani	**7.70**	22.37	13.39
	Mr. Manoj Kumar	**8.34**	20.46	14.32
	Mr. Rohit Gyanchandani	**8.49**	33.80	15.59
	Mrs. Kamla Devi	**4.11**	4.58	5.85
	Mrs. Seema Gyanchandani	**0.27**	0.47	1.62
	Mrs. Rajani Gyanchandani	**1.91**	0.87	0.72
Advances Receivable	Leayan Global Private Limited	**930.83**	930.50	1,537.82
	Nimmi Buildtech Private Limited	**-**	-	2,198.26
	Mr. Tara Chand	**-**	-	4.71
	Mr. Naresh Phoolwani	**0.43**	0.73	1.03
	Rene Solution	**-**	-	4.00
	RSPL Welfare foundation	**-**	0.11	0.11
Loans Payable	Mr. Murli Dhar	**34.11**	139.21	12.95
	Mr. Bimal Kumar	**14.84**	121.83	17.67
	Mr. Rahul Gyanchandani	**96.33**	182.61	98.54
	Mr. Manoj Kumar	**62.95**	171.90	36.03
	Mr. Rohit Gyanchandani	**73.28**	179.58	73.60
	Mrs. Kamla Devi	**39.48**	30.24	2.46
	Mrs. Seema Gyanchandani	**3.06**	3.00	6.00

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All Amounts in INR Lakh, unless otherwise stated

Nature of balances	Name of related party	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
	Mrs. Rajani Gyanchandani	**28.80**	16.24	6.57
Trade Receivables	Leayan Global Private Limited	**24.45**	2.67	1.57
	NIF Private Limited	**871.52**	808.76	782.56
	Laxmi Devi Dayal Das Charitable Trust	**-**	0.29	0.02
Trade Payables	HD Wires Private Limited		-	0.27
	NIF Private Limited	**21.77**	20.55	1.86
	Rene Solution	**23.22**	40.41	7.98
	Nimmi Buildtech Private Limited	**-**	42.44	-
Payable to Key Management Personnel & others	Mr. Murli Dhar	**150.51**	243.92	440.07
	Mr. Bimal Kumar	**150.51**	243.92	440.07
	Mr. Rahul Gyanchandani	**140.84**	254.23	440.07
	Mr. Manoj Kumar	**140.84**	250.18	440.07
	Mr. Rohit Gyanchandani	**140.84**	254.23	440.07
	Mrs. Renuka Gulati	**-**	0.23	-
	Mr. J.N. Gupta	**-**	1.13	-
	Mr. Tara Chand	**-**	0.60	0.85
	Mr. Sushil Kumar Bajpai	**-**	3.36	2.21
	Mr. R.P. Singh	**-**	1.31	-

C. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

D. Transactions with key management personnel

Directors' loans

The Group operates loan scheme providing loan to all employees. Under the scheme, the Group offers senior management a facility to obtain loan on terms as determined by the board. Such loans are unsecured and the interest rate is the determined by the board. Rate of interest during the year 2015-16 was 15% which was reduced to 9% in the year 2016-17. Any loans received are included in financial instruments on the face of the balance sheet.

E. Compensation of key management personnel of the Group

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term employee benefits	**4,459.86**	3,946.42
Post employment benefits	**-**	-
Other long-term employee benefits	**14.37**	8.02
Termination benefits	**-**	-

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

34. Segment information

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments, as follows:

(i) Fast Moving Consumer Goods (FMCG), and

(ii) Power

The Board of directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Also, the Group's financing (including finance costs and finance income) and income taxes are managed on for entire Group and are not allocated to operating segments.

For the year ended March 31, 2017

Particulars	FMCG	Power	Unallocated	Total
Revenue				
External customers	**452,573.77**	**3,887.22**	**-**	**456,460.99**
Inter-segment				**-**
Total revenue	**452,573.77**	**3,887.22**	**-**	**456,460.99**
Segment result before interest and taxes	**44,944.27**	**2,476.43**	**-**	**47,420.70**
Finance cost	**3,316.65**	**15.15**	**-**	**3,331.80**
Profit before tax	**41,627.61**	**2,461.28**	**-**	**44,088.89**
Adjustments:				
Current tax	**-**	**-**	**(13,452.89)**	**(13,452.89)**
Deferred tax	**-**	**-**	**335.45**	**335.45**
Tax related to earlier years	**-**	**-**	**(567.91)**	**(567.91)**
MAT credit entitlement	**-**	**-**	**-**	**-**
Profit after tax	**41,627.61**	**2,461.28**	**(13,685.35)**	**30,403.54**
Total assets	**347,666.29**	**22,523.39**	**-**	**370,189.68**
Total liabilities	**198,231.84**	**205.21**	**5,047.86**	**203,484.91**
Other disclosures				
Depreciation and amortisation	**6,554.40**	**1,164.01**	**-**	**7,718.41**
Capital expenditure	**18,731.51**	**-**	**-**	**18,731.51**

For the year ended March 31, 2016

Particulars	FMCG	Power	Unallocated	Total
Revenue				
External customers	469,174.15	1,781.99	-	470,956.14
Inter-segment				-
Total revenue	**469,174.15**	**1,781.99**	**-**	**470,956.14**
Segment result before interest and taxes	**60,493.10**	**616.56**	**-**	**61,109.66**
Finance cost	3,641.50	111.70	-	3,753.20
Profit before tax	**56,851.60**	**504.86**	**-**	**57,356.46**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	FMCG	Power	Unallocated	Total
Adjustments:				
Current tax	-	-	(19,006.67)	(19,006.67)
Deferred tax	-	-	(698.10)	(698.10)
Tax related to earlier years	-	-	(1.53)	(1.53)
Profit after tax	**56,851.60**	**504.86**	**(19,706.30)**	**37,650.16**
Total assets	231,313.64	21,971.62	-	253,285.26
Total liabilities	107,206.65	476.09	3,409.32	111,092.06
Other disclosures				
Depreciation and amortisation	5,851.41	735.13	-	6,586.54
Capital expenditure	15,648.48	9,955.95	-	25,604.43

As at April 01, 2015

Particulars	FMCG	Power	Unallocated	Total
Total assets	192,811.82	12,274.07	-	205,085.89
Total liabilities	91,094.01	151.63	4,089.35	95,334.99
Other disclosures				
Capital expenditure	33,196.55	-	-	33,196.55

Geography-wide disclosure

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	India	**Outside India**	India	Outside India
Revenue from external customers	**448,069.35**	**8,391.64**	466,380.72	4,575.42
Total assets of the Group	**366,368.11**	**3,821.57**	270,168.72	3,140.77

35. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying value			Fair value		
		As at March 31, 2017	**As at March 31, 2016**	**As at April 01, 2015**	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 01, 2015**
Financial assets							
I. Classified and measured at fair value through profit and loss :							
Quoted investments	A	**29,681.84**	40,041.42	20,597.46	29,681.84	40,041.42	20,597.46
Investment in unquoted equity shares	B	**18.01**	18.01	18.01	18.01	18.01	18.01
Derivative assets (CCIRS, Options and IRS)	C	**293.47**	1,927.17	1,564.33	293.47	1,927.17	1,564.33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	Notes	Carrying value			Fair value		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
II. **Classified and measured at amortised cost:**							
Investment in quoted debentures	A	**-**	-	5,000.00	-	-	5,000.00
Security deposits paid	D	**723.83**	689.71	560.82	723.83	689.71	560.82
Total		**30,717.15**	**42,676.31**	**27,740.62**	**30,717.15**	**42,676.31**	**27,740.62**
Financial liabilities							
I. Amortised Cost:							
Borrowings							
Loans	D	**54,731.83**	32,872.93	29,459.28	54,731.83	32,872.93	29,459.28
Finance lease obligations	D	**60.28**	60.28	60.28	60.28	60.28	60.28
Total		**54,792.11**	**32,933.21**	**29,519.56**	**54,792.11**	**32,933.21**	**29,519.56**

Notes:

1 The management assessed that cash and cash equivalents, other bank balances, trade receivables, other current assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 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.

3 **The following methods and assumptions were used to estimate the fair values:**

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

A The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.

B The fair values for investments in unquoted equity shares are estimated by valuer following discounted cash flow method.

C The Group has entered into derivative financial instruments with financial institutions/ banks through Cross currency interest rate swap, foreign currency option contracts and interest rate swap. Such derivatives are valued using valuation techniques, which employs the use of market observable inputs. The Group has valued the same on Mark to Market assessments given by the banks as on date of valuation.

D The fair values of the financial assets and liabilities like security deposits paid, borrowings, finance lease obligation etc. are determined by using DCF method using discount rate that reflects the issuer's incremental borrowing rate as at the end of the reporting period. Loan to related parties are loan repayable on demand and accordingly, carrying value and fair value both are same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

36. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Date of valuation	Total	Fair value measurement		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through profit and loss:					
Quoted investments	March 31, 2017	29,681.84	29,681.84	-	-
Investment in unquoted equity shares	March 31, 2017	18.01	-	-	18.01
Derivative assets (CCIRS, Options and IRS)	March 31, 2017	293.47	-	293.47	-
Assets measured at amortised cost for which fair values are disclosed (refer note 35):					
Security deposits paid	March 31, 2017	723.83	-	723.83	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 35):					
Loans	March 31, 2017	54,731.83	-	54,731.83	-
Finance lease obligations	March 31, 2017	60.28	-	60.28	-

There have been no transfers between Level 1 and Level 2 during the period.

B. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2016:

Particulars	Date of valuation	Total	Fair value measurement		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at FVTPL:					
Quoted investments	March 31, 2016	40,041.42	40,041.42	-	-
Investment in unquoted equity shares	March 31, 2016	18.01	-	-	18.01
Derivative assets (CCIRS, Options and IRS)	March 31, 2016	1,927.17	-	1,927.17	-

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All Amounts in INR Lakh, unless otherwise stated

Particulars	Date of valuation	Total	Fair value measurement		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at amortised cost for which fair values are disclosed (refer note 33):					
Security deposits paid	March 31, 2016	689.71	-	689.71	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 33):					
Loans	March 31, 2016	32,872.93	-	32,872.93	-
Finance lease obligations	March 31, 2016	60.28	-	60.28	-

There have been no transfers between Level 1 and Level 2 during the period.

C. Quantitative disclosures fair value measurement hierarchy for assets as at April 01, 2015:

Particulars	Date of valuation	Total	Fair value measurement		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at FVTPL:					
Investment in mutual funds	April 01, 2015	20,597.46	20,597.46	-	-
Investment in unquoted equity shares	April 01, 2015	18.01	-	-	18.01
Derivative assets (CCIRS, Options and IRS)	April 01, 2015	1,564.33	-	1,564.33	-
Assets measured at amortised cost for which fair values are disclosed (refer note 35):					
Investment in quoted debentures	April 01, 2015	5,000.00	5,000.00	-	-
Security deposits paid	April 01, 2015	560.82	-	560.82	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 35):					
Loans	April 01, 2015	29,459.28	-	29,459.28	-
Finance lease obligations	April 01, 2015	60.28	-	60.28	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2017, March 31, 2016 and April 1, 2015 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF method	Long-term growth rate for cash flows for subsequent years (average 2.50%)	2% increase (decrease) in the growth rate would result in increase (decrease) in fair value by INR 0.89 lakh
		Long-term operating margin	2% increase (decrease) in the margin would result in increase (decrease) in fair value by INR 2.60 lakh
		WACC (Range 11.71% to 14.88%)	1% increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 7.0 lakh
		Discount for lack of marketability	2% increase (decrease) in the discount would result in increase (decrease) in fair value by INR 10.90 lakh.

37. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations. The Group also enters into derivative transactions.

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 risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2017 and March 31, 2016.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2017. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017 and March 31, 2016."

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with fixed interest rates.

The Group enters into interest rate swaps to manage its interest rate risk, in which it agrees to exchange, at specified intervals, the difference between floating and fixed rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2017, March 31, 2016 and April 01, 2015, Group has taken interest rate swap for all of its floating interest rate borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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The exposure of the Group's borrowing at floating rate of interest at the end of reporting period:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Rupee term loan borrowings	**8,057.83**	8,499.68	-
USD Commercial Borrowings	**26,674.00**	24,373.25	29,459.28

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2017		
INR Term loan	+200	(174.66)
INR Term loan	-200	174.66
USD Commercial Borrowings	+200	(477.11)
USD Commercial Borrowings	-200	477.11
March 31, 2016		
INR Term loan	+200	(77.99)
INR Term loan	-200	77.99
USD Commercial Borrowings	+200	(491.19)
USD Commercial Borrowings	-200	491.19

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities (when revenue or expense is denominated in a foreign currency) and borrowings in foreign currency (ECB borrowings).

Foreign currency risk mitigation:

The Group manages its foreign currency risk by entering into derivatives viz. interest rate swaps, cross currency interest rate swaps and foreign currency option contracts.

When a derivative is entered into for the purpose of hedging, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Group's exposure to foreign currency risk at the end of reporting period expressed in INR are as follows:

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	USD	EUR	USD	EUR	USD	EUR
Financial assets						
Advance recoverable in cash	**13.83**	**46.29**	35.46	0.44	2.57	-
Exposure to foreign currency assets	**13.83**	**46.29**	35.46	0.44	2.57	-
Financial liabilities						
Trade payables	**85.78**	**1.33**	28.40	12.09	52.18	0.03
Buyer's credit	**130.14**	**-**	-	-	15.70	-
Exposure to foreign currency liabilities	**215.92**	**1.33**	28.40	12.09	67.88	0.03
Net exposure to foreign currency assets / (liabilities)	**(202.08)**	**44.96**	7.06	(11.65)	(65.31)	(0.03)
Net exposure to foreign currency assets/ (liabilities) (in INR)	**(12,904.94)**	**3,169.57**	**475.98**	**(885.11)**	**(4,128.86)**	**(1.88)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	Increase / decrease in basis points	Effect on profit before tax	
		March 31, 2017	March 31, 2016
USD Sensitivity			
INR/ USD	+500	**(661.53)**	23.80
INR/ USD	-500	**661.53**	(23.80)
EURO Sensitivity			
INR/ EURO	+500	**158.48**	(44.22)
INR/ EURO	-500	**(158.48)**	44.22

Credit risk

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

Trade receivables

Outstanding trade receivables are reviewed and assessed for default on half year basis taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily of Governments. The Group's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

The maximum exposure to credit risk at the reporting date is the carrying value of Trade receivables is as follows:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Trade receivables	**3,002.61**	2,262.06	1,748.39
Expected credit loss rate	**1.45%**	1.45%	1.45%
Expected credit loss	**43.54**	32.80	25.35
Specific provision	**136.21**	129.00	134.37
Total provision	**179.75**	**161.80**	**159.72**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Group's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2017 and March 31, 2016 is the carrying amounts as provided in Note 5, 6, 7 & 10.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

All Amounts in INR Lakh, unless otherwise stated

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

Particulars	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
	INR lakh	INR lakh	INR lakh	INR lakh	INR lakh
March 31, 2017					
Borrowings	28,139.11	29,013.34	25,701.80	20,056.45	102,910.70
Trade payables	486.07	46,260.10	-	-	46,746.17
Other financial liabilities	416.37	22,016.70	-	-	22,433.07
	29,041.55	**97,290.14**	**25,701.80**	**20,056.45**	**172,089.94**
March 31, 2016					
Borrowings	18,912.27	1,100.67	22,711.02	56.45	42,780.41
Trade payables	478.77	44,006.15	-	-	44,484.92
Other financial liabilities	234.09	10,682.41	-	-	10,916.50
	19,625.13	**55,789.23**	**22,711.02**	**56.45**	**98,181.83**
April 01, 2015					
Borrowings	14,037.83	584.02	23,025.40	56.50	37,703.75
Trade payables	501.23	39,705.87	-	-	40,207.10
Other financial liabilities	168.05	6,754.15	-	-	6,922.20
	14,707.11	**47,044.04**	**23,025.40**	**56.50**	**84,833.05**

38. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group's policy is to keep the gearing ratio to the maximum of 200%.

Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The gearing ratio at the end of the reporting period are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Borrowings (refer to note 14)	**102,910.70**	42,780.40	37,703.75
Current maturities of long term loan and interest accrued on borrowings (refer note 19)	**10,623.78**	10,336.90	6,851.39
Less: Cash and cash equivalents (refer to note 11(a))	**(1,014.17)**	(1,490.89)	(8,018.74)
Net debts (A)	**112,520.31**	**51,626.41**	**36,536.40**
Equity (B)	**166,704.77**	**139,086.18**	**107,245.80**
Net Gearing (A/B)	**67.50%**	**37.12%**	**34.07%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

39. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount due to micro and small enterprises	**208.03**	115.87	440.28
- Interest due on above	**15.43**	11.56	19.53
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	**-**	-	-
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.	**-**	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	**46.52**	31.09	19.53
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	**46.52**	31.09	19.53

40. Details of Specified Bank Notes held and transacted during period from 8th November 2016 to 30th December 2016.

During the year, the Company and one of its Indian subsidiary had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars****	SBN's*	Other Denomination Notes	Total
Closing balance as at 08-Nov-2016	113.86	46.47	160.33
(+) Permitted receipts	-	282.04	282.04
(+) Non-permitted receipts**	328.58	-	328.58
(-) Permitted payments	-	276.58	276.58
(-) Amount deposited in Banks	442.42	-	442.42
Closing cash in hand as on December 30, 2016* **	**0.02**	**51.93**	**51.95**

* For the purpose of this clause 'Specified bank notes' shall have the same meaning provided in the notification of Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated November 8, 2016.

** Represents cash received from employees given to them as imprest for official expenses.

*** Closing cash balance of SBNs represents damaged currency note which could not be deposited in bank.

**** This note excludes one of the subsidiary "RSPL Health BD Limited" being a foreign entity and this notification does not affect the entity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

41. Statutory group information

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income"	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Subsidiary								
RSPL Health Private Limited								
Balance as at March 31, 2017	**1.13%**	**1,887.99**	**0.41%**	**125.51**	**0%**	**-**	**0%**	**125.51**
Balance as at March 31, 2016	-0.96%	(1,337.52)	0.45%	169.51	0%	-	0%	169.51
Step Subsidiary								
RSPL Health BD Limited								
Balance as at March 31, 2017	**0.43%**	**717.63**	**-1.03%**	**(313.84)**	**-18%**	**(20.34)**	**-1.10%**	**(334.18)**
Balance as at March 31, 2016	0.58%	801.08	-2.79%	(1,050.43)	-99%	10.50	-2.76%	(1,039.93)

42. First-time adoption of Ind AS

(I) These financial statements, for the year ended March 31, 2017, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for year ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2015, the Group's date of transition to Ind AS. This note explains exemptions availed by the Group in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

Exemptions applied:

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

(a) Business Combination:

The Group has opted for exemption under Ind AS 101 with respect to Business Combinations whereby the Group has elect not to apply Ind AS 103 retrospectively to past business combinations i.e. to (business combinations that occurred before the date of transition to Ind ASs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

(b) Deemed cost for property, plant and equipment and Intangible assets:

Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value."

(c) Investment in subsidiaries:

As per the requirements of Ind AS 27, the Group has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(i) cost determined in accordance with Ind AS 27; or

(ii) deemed cost. The deemed cost of such an investment shall be its

(a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

(b) previous GAAP carrying amount at that date.

Accordingly, the Group has opted to record its investment in subsidiaries at previous GAAP carrying value at transition date.

Estimates

The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair value through profit and loss (FVPL) – Mutual funds etc.

- Impairment of financial assets based on expected credit loss model.

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2015, the date of transition to Ind AS and as of March 31, 2016."

42. First-time adoption of Ind AS

(II) (a) Reconciliations of Equity as at April 01, 2015 (date of transition to Ind AS)

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	a	80,945.09	(1,207.12)	79,737.97
Capital work-in-progress		5,541.88	-	5,541.88
Intangible assets		185.76	-	185.76
Intangible assets under development		1,348.90	-	1,348.90
Financial Assets				
Investments		2.00	16.01	18.01
Loans	b	560.82	-	560.82
Other financial assets	d , f	16,082.70	(51.43)	16,031.27
Other non-current assets	a , e	4,715.50	1,233.54	5,949.04
Non-current tax assets		79.51	-	79.51
		109,462.16	**(9.00)**	**109,453.16**

All Amounts in INR Lakh, unless otherwise stated

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Current assets				
Inventories		38,743.48	-	38,743.48
Financial Assets				
Investments	c	24,382.32	1,215.14	25,597.46
Loans		4,105.54	-	4,105.54
Trade receivables		1,588.67	-	1,588.67
Cash and cash equivalents		8,018.74	-	8,018.74
Bank balances other than above		-	-	-
Other financial assets	d	1,513.76	(33.06)	1,480.70
Other current assets	e	33,195.08	32.60	33,227.68
		111,547.59	**1,214.68**	**112,762.27**
Total Assets		**221,009.75**	**1,205.68**	**222,215.43**
Equity and liabilities				
Equity				
Equity share capital		4,403.25	-	4,403.25
Other equity	i	102,407.05	435.50	102,842.55
		106,810.30	**435.50**	**107,245.80**
Non-current liabilities				
Financial liabilities				
Borrowings	a	23,021.61	60.28	23,081.89
Provisions		847.68	-	847.68
Deferred tax liabilities (net)	g	4,142.51	481.11	4,623.62
		28,011.80	**541.39**	**28,553.19**
Current liabilities				
Financial liabilities				
Borrowings		14,621.86	-	14,621.86
Trade payables	h	39,978.30	228.79	40,207.09
Other financial liabilities		6,922.19	-	6,922.19
Other current liabilities		23,512.31	-	23,512.31
Provisions		270.32	-	270.32
Current tax liabilities		882.67	-	882.67
		86,187.65	**228.79**	**86,416.44**
Total Equity and Liabilities		**221,009.75**	**1,205.68**	**222,215.43**

(b) Reconciliations of Equity as at March 31, 2016

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	a	100,418.00	(1,492.01)	98,925.99
Capital work-in-progress		14,648.83	-	14,648.83
Intangible assets		147.00	-	147.00
Intangible assets under development		1,355.34	-	1,355.34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Financial Assets				
Investments	b	2.00	16.01	18.01
Loans		689.71	-	689.71
Other financial assets	d , f	10,466.61	92.58	10,559.19
Other non-current assets	a , e	18,393.94	1,513.18	19,907.12
Non-current tax assets		297.75	-	297.75
		146,419.18	**129.76**	**146,548.94**
Current assets				
Inventories	l	48,078.44	(75.06)	48,003.38
Financial Assets				
Investments	c	37,390.95	2,650.47	40,041.42
Loans		1,410.42	-	1,410.42
Trade receivables		2,100.26	-	2,100.26
Cash and cash equivalents		1,490.89	-	1,490.89
Bank balances other than above		35.75	-	35.75
Other financial assets		1,011.74	-	1,011.74
Other current assets	e	32,629.61	37.08	32,666.69
Asset held for sale		-	-	-
Current tax asset		-		-
		124,148.06	**2,612.49**	**126,760.55**
Total Assets		**270,567.24**	**2,742.25**	**273,309.49**
Equity and liabilities				
Equity				
Equity share capital		4,403.25	-	4,403.25
Other equity	i	133,945.14	737.79	134,682.93
		138,348.39	**737.79**	**139,086.18**
Non-current liabilities				
Financial liabilities				
Borrowings	a	22,707.19	60.28	22,767.47
Provisions		1,549.93	-	1,549.93
Deferred tax liabilities (net)	g	3,480.35	1,849.38	5,329.73
Other Non current liabilities		3,046.01	-	3,046.01
		30,783.48	**1,909.66**	**32,693.14**
Current liabilities				
Financial liabilities				
Borrowings		20,012.93	-	20,012.93
Trade payables	h	44,390.13	94.80	44,484.93
Other financial liabilities		10,916.51	-	10,916.51
Other current liabilities		18,388.02	-	18,388.02
Provisions		198.29	-	198.29
Current tax liabilities		7,529.49	-	7,529.49
		101,435.37	**94.80**	**101,530.17**
Total Equity and Liabilities		**270,567.24**	**2,742.25**	**273,309.49**

All Amounts in INR Lakh, unless otherwise stated

(c) Reconciliations of total comprehensive income for the year ended March 31, 2016

Particulars	Note	Re-grouped previous GAAP	Ind AS Adjustments	Ind AS
Income				
Revenue from operations	j	421,361.69	49,594.45	470,956.14
Other income	d	5,784.69	1,612.38	7,397.07
Total income		**427,146.38**	**51,206.83**	**478,353.21**
Expenses				
Cost of raw materials and component consumed		283,564.09	-	283,564.09
Increase in inventories of finished goods, work-in-progress and others		(4,797.25)	-	(4,797.25)
Excise duty on sale of goods	j	-	49,594.45	49,594.45
Employee benefits expense	k	21,351.39	23.30	21,374.69
Depreciation and amortization expense	a	3,789.10	(35.90)	3,753.20
Other expenses	a, d, i, m	6,591.83	(5.29)	6,586.54
Finance costs	a	60,914.07	6.96	60,921.03
Total expenses		**371,413.23**	**49,583.52**	**420,996.75**
Profit before tax		**55,733.15**	**1,623.31**	**57,356.46**
Tax expense :				
Current tax		19,006.67	-	19,006.67
Deferred tax	g	(661.88)	1,359.98	698.10
Income tax adjustment related to earlier years		1.53	-	1.53
Profit for the year		**37,386.83**	**263.33**	**37,650.16**
Other Comprehensive Income (OCI):				
Items that will not be reclassified to statement of profit or loss in subsequent periods				
Re-measurement losses / (gains) on defined benefit plans	k	-	(23.30)	(23.30)
Income tax effect	k	-	8.06	8.06
Items that will be reclassified to profit or loss in subsequent periods				
Exchange differences on translation of foreign operations		4.60	-	4.60
Other comprehensive income for the year		**4.60**	**(15.24)**	**(10.64)**
Total Comprehensive Income for the year		**37,382.23**	**278.57**	**37,660.80**

(III) Footnotes to the reconciliation of equity as at April 01, 2015 and March 31, 2016 and profit or loss for the year ended March 31, 2016:

a. Leasehold land

While transiting to Ind AS, the Group has classified certain leasehold land with multi decade lease term (90 years or more) as finance lease as on transition date. Whereas under Indian GAAP, such leasehold land has been treated as part of fixed assets but present value of annual lease rentals have not been capitalised and charged to statement of profit and loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

Under Ind AS, present value of annual rentals has been capitalised to leasehold land and corresponding a finance lease obligation created retrospectively. Till transition date, the Group has recorded finance cost on finance lease obligation and has been charged to retained earnings. Further, annual rentals capitalised to PPE also amortised retrospectively and impact charged to retained earnings. Accordingly, subsequent to transition date, finance cost and amortisation of leasehold land has been charged to statement of profit and loss.

b. Investments in Equity Shares

Under Indian GAAP, investments in equity shares have been recognised at cost. However, under Ind AS, such investments have been classified and measured at fair value through OCI. Accordingly, under Ind AS, at transition date impact of fair valuation of such equity securities has been passed through OCI and subsequent to transition date, the same has been passed through statement of profit and loss (OCI).

c. Investments in Mutual Funds

Under Indian GAAP, investments in mutual funds have been recognised at lower of cost or fair value. However, under Ind AS, such investments have been classified and measured at fair value through profit and loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

d. Dividend Income

Under Indian GAAP, dividend income was recognised on accrual basis. Under Ind AS, such dividend income is required to recognise when right to receive has been established. Accordingly, dividend income recognised under Indian GAAP has been reversed from retain earnings at transition date. Subsequent to transition date, when the Group has right to receive dividend has been established, such dividend income has been recognised in statement of profit and loss.

e. Derivative asset:

Under Indian GAAP, the Group is following derivative accounting and accordingly recognising mark to market loss only in relation to outstanding derivatives as on reporting date. Under Ind AS, the Group is required to fair value of outstanding derivatives and is also required to recognise gain or loss in relation to such derivatives. Consequent to this, a derivative assets or liabilities recognised and corresponding as on transition date impact has been adjusted through retained earnings and for the year ended March 31, 2016 impact has been adjusted through income statement.

f. Lease Equalisation:

Under Indian GAAP, lease equalisation reserve was recognised for all the leasehold properties. However under Ind AS, lease equalisation reserve has been recognised only for the properties where payments to the lessor are not structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Accordingly, as on transition date lease equalisation reserve has been reversed from retained earnings. Subsequent to transition date, lease equalisation reserve has been reversed from statement of profit and loss.

g. Deferred Taxes:

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

The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

h. Prior period errors:

Under previous GAAP, the Company had presented certain expenses in the statement of profit and loss, as prior period expenses amounting to INR 180.01 lakh as on March 31, 2016 and has also identified expenses of ₹ 415.81 lakh and deferred tax adjustments of ₹ 801.82 lakh during the current year relating to previous periods. As per Ind AS 101, if the Company becomes aware of such errors which made under previous GAAP, then such errors shall be adjusted in the retained earnings and shall be presented in equity and profit and loss reconciliation statement. Accordingly, the Company has adjusted such prior period of expenses through retained earnings as of transition date amounting to ₹ 512.11 lakh and as restated March 31, 2016 by ₹ 45.17 lakh for expenses and ₹ 801.82 lakh for deferred tax liability.

i. Retained Earnings

Retained earnings as at April 01, 2015 and March 31, 2016 has been adjusted consequent to Ind AS transition adjustments.

j. Revenue from sale of products

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This charge has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016. There is no impact of the total equity and profit.

k. Other comprehensive income

Under Ind AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless standard requires or permits otherwise. Items of income and expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

l. Store and spares

Ind AS 101 requires an entity to use same accounting policy in its opening balance sheet and throughout all the periods presented in its first Ind AS financial statement. In order to make same accounting policies throughout the periods, the Company has changed valuation policy of stores and spares from weighted average to FIFO. This has resulted in decrease in profit of previous year by INR 75.06 lakh and increase in profit of current year by the same amount.

m. Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

43. During the year, the Company has issued Non-Convertible Debentures of face value INR 10 lakh each and aggregating upto INR 20,000 lakh to SBI Life Insurance Corporation Limited and the same are listed in National Stock Exchange (NSE). As per SEBI (Listing and Disclosure requirements) Regulations, 2015, the listed entity is required to submit un-audited or audited financial results on a half yearly basis within sixty days from the end of the year to the recognised stock exchange, however, the Company has failed to comply with the same, the management has created provision for penalties. Based on its discussion with authorities, the management is hopeful of getting the condonation of delay and is of the view that no action will be taken against them.

44. The Group has recoverable and payables amounting to INR 7,511.63 lakh and INR 5,282.58 lakh respectively from one of the supplier and its group companies as at March 31, 2017. The Group has initiated legal proceedings against the supplier and its group companies for supply of material against the above advances. Based on current discussion, the management is confident of receiving the supply of material or recovery of the same and hence no provision is considered necessary at this stage.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

All Amounts in INR Lakh, unless otherwise stated

45. Capitalisation of expenses

1.) The Group has ongoing projects and significant part of the same are expected to be completed in near future. The carrying value of such projects as at March 31, 2017 was ₹ 101,920.85 lakh. These projects have been financed by various banks and other financial institutions. The amount of borrowing cost capitalised during the year ended March 31, 2017 was ₹ 2,333.57 lakh (March 31, 2016 : nil, April 1, 2015 : nil).

2.) During the year, the Group has capitalised the following pre-operative expenses to capital work-in-progress being expenses related to the construction of soda ash plant in Gujarat. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

Particulars	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Employee benefit expenses	**1,143.78**	549.22
Finance cost (LC charges)	**94.95**	-
Maintenance expenses	**344.41**	-
Travelling and conveyance	**209.26**	105.12
Rent	**375.93**	35.38
Legal and professional	**151.63**	22.93
Power & Fuel	**99.19**	25.49
Miscellaneous expenses	**578.39**	8.35
Insurance	**42.51**	-
Total	**3,040.05**	**746.49**

46. During the year ended March 31, 2017, the Group has recognised subsidy income of INR 2,863.74 lakh (March 31, 2016 : INR 1,789.30 lakh) from M.P. Trade & Investment Facilitation Corporation Limited, Bhopal under the scheme of Madhya Pradesh Industrial Investment Promotion assistance Scheme 2004 and has recognised INR 9621.47 lakh (March 31, 2016: INR 3,262.76 lakh) as deferred subsidy under other current liabilities based on sanction received from relevant authorities during the year. There are no unfulfilled conditions and contingencies attached to these grants.

47. Till the year ended March 31, 2015, one of the Indian subsidiary Company was selling goods to foreign subsidiary at loss. It had filed for advance pricing agreement with respect to its transfer price with the authority on March 10, 2014. The agreement has been entered into between the Company and CBDT to determine the arm's length price for the international transactions and shall apply in respect to consecutive five years commencing from financial year 2014-2015 and ending in financial year 2018-2019. Accordingly, revised computation for the assessment year 2015-16 has been filed with the income tax authority based on the prescribed arm's length price as per the agreement.

48. Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification. The figures of previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Co. LLP.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per Pankaj Chadha
Partner
Membership No. 091813

Place : Gurugram
Date : September 30, 2017

For and on behalf of the Board of Director of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary & Chief Financial Officer
Membership No.: F3753

Place : Kanpur
Date : September 30, 2017