

Premier Tissues India Limited
STATUTORY AUDIT REPORT
For the period 01st April, 2016
to 31th March, 2017

K. K. MANKESHWAR & CO.
CHARTERED ACCOUNTANTS

Contents

● Audit Report

● Balance Sheet

● Profit & Loss

● Cash Flow Statement

● Statement of Changes in Equity

● Notes to Financial Statements

● Reconciliation of Equity

INDEPENDENT AUDITOR'S REPORT

To the members of PREMIER TISSUES INDIA LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **PREMIER TISSUES INDIA LIMITED ('THE COMPANY')**, which comprise the balance sheet as at 31st March 2017, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone 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 the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 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.



OFFICES AT :

- 243, "SHRIKA RESIDENCY" CANAL ROAD, DHARAMPETH, NAGPUR- 440010.
- BLOCK-E, NEW R D A BUILDING, BOMBAY MARKET, G.E. ROAD, RAIPUR- 492001
- A- 425, SARITA VIHAR, NEW DELHI-110076.
- 331, KALIANDAS UDYOG BHAWAN, CENTURY BAZAR LANE, PRABHADEVI, MUMBAI- 400025.
- PRABHATARAPTS, 3rd FLOOR, WR, PARANJAPE LANE, NEAR HOTEL VAISHALI, SHIVAJINAGAR PUNE- 411004
- COSMOS REGENCY, JUPITER II, 102 WAGHBILL NAKA GHODBUNDER ROAD, THANE-(W)- 400607

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Opinion

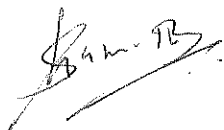
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, changes in equity and its cash flows 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 A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 42(iii) to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 49 to the standalone Ind AS financial statements.



K.S.S.BHATIA

Partner

Membership No. 122942

For and on Behalf of

K K MANKESHWAR & CO.

Chartered Accountants

Firm's Registration No: - 106009W



Gurgaon, dated the,
19th May 2017

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

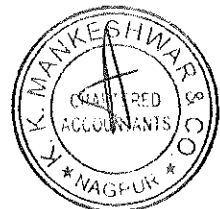
The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2017, we report that:

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

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of ONE year, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) As per directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public; the Company has accepted deposits from the distributors which is mandatory as per company norms for performance of the contract for supply of goods and provide 10% interest on that which paid on half yearly basis after deducting tax at source. The Company has maintained proper records showing full particulars, including proper internal control.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities carried out by the Company.



(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, there are no material statutory dues delay which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

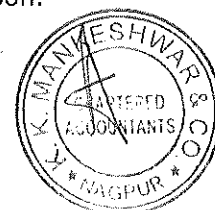
Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Bombay Sales Tax Act, 1956	Sales Tax	6,85,408	FY-2002-2003	Assessing Authority
Bombay Sales Tax Act, 1956	Sales Tax	9,38,682	FY-2003-2004	Assessing Authority
Bombay Sales Tax Act, 1956	Sales Tax	16,78,079	FY-2004-2005	Assessing Authority
Karnataka - Value Added Tax	Sales Tax	2,74,425	FY-2008-2009	Assistant Commissioner
Income Tax Act, 1961	Income Tax	6,19,162	FY-2007-2008	Assessing Authority
Kerala - Value Added Tax	Sales Tax	3,76,808	FY-2014-2015	Assistant Commissioner
TOTAL		45,72,564		

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.

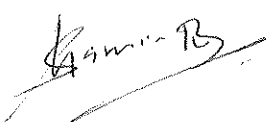
(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. In our opinion and according to the information and explanations given to us, the term loan were applied for the purpose for which they were raised.

(x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, managerial remuneration has not been accrued hence the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable and hence not commented upon.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) As per compliance with section 177 and 188 of Companies Act, 2013, in our opinion, all transactions with the related parties are in ordinary course of business and in arm length price and proper accounting system and details maintained in this regard.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.



K.S.S.BHATIA

Partner

Membership No. 122942

For and on Behalf of

K K MANKESHWAR & CO.

Chartered Accountants

Firm's Registration No: - 106009W



Gurgaon, dated the,
19th May 2017

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **PREMIER TISSUES INDIA LIMITED** ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

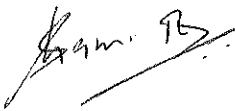
(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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



K.S.S.BHATIA

Partner

Membership No. 122942

For and on Behalf of

K K MANKESHWAR & CO.

Chartered Accountants

Firm's Registration No: - 106009W



Gurgaon, dated the,
19th May 2017

PREMIER TISSUES INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
ASSETS				
(1) Non Current Assets				
(a) Property, Plant and Equipment	5	310,367,103	321,996,336	334,661,735
(b) Capital work-in-progress	6	-	-	445,500
(c) Other intangible Assets	7	1,078,885	1,328,412	791,749
(d) Financial Assets				
(i) Others	8	7,449,811	7,950,811	6,707,034
(e) Other Non-Current Assets	9	5,734,876	5,633,177	5,634,221
(2) Current Assets				
(a) Inventories	10	92,837,315	73,538,521	86,853,328
(b) Financial Assets				
(i) Trade receivables	11	25,316,571	30,650,082	29,248,587
(ii) Cash and Cash equivalents	12	2,435,379	1,890,826	2,708,877
(iii) Bank balances other than (iii) above	13	10,655	48,250	48,250
(c) Other Current Assets	14	9,697,748	6,059,397	5,172,477
Total Assets		454,928,343	449,095,812	472,271,758
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	56,204,270	56,204,270	56,204,270
(b) Other equity	16	111,573,535	109,881,312	105,138,786
Liabilities				
(1) Non Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	17	12,250,000	38,092,219	56,270,052
(ii) Other financial liabilities	18	10,000,280	9,469,280	9,229,280
(b) Provisions	19	4,977,065	4,533,013	4,270,745
(c) Deferred tax liabilities (Net)	20	52,286,544	51,393,777	60,353,497
(2) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	21	57,611,969	48,511,378	58,244,656
(ii) Trade payables	22	110,393,110	83,941,537	73,337,686
(iii) Other financial liabilities	23	30,422,034	38,701,291	40,834,397
(b) Other Current liabilities	24	8,796,392	8,080,435	7,986,129
(c) Provisions	25	413,144	287,300	402,260
Total Equity And Liabilities		454,928,343	449,095,812	472,271,758
Significant accounting policies and notes to standalone Ind AS financial statements	1-49			

As per our report of even date attached

For and on behalf of Board of Directors

K.S.S.Bhatia

Partner

Membership No.: 122942

For & on behalf of

K.K.Mankeshwar & Co.,

Chartered Accountants

F.R.N.: 106009W

Gurgaon, dated the

19th May, 2017



Director

Director

PREMIER TISSUES INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars		Note No.	Year ended 31-Mar-17	Year ended 31-Mar-16
I	Revenue from operations	26	535,076,569	544,067,651
II	Other Income	27	4,107,036	1,347,276
III	Total Income (I+II)		539,183,605	545,414,927
IV	Expenses			
	Cost of materials consumed	28	233,899,891	231,139,131
	Purchase of stock in trade		33,266,544	36,794,019
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(9,118,247)	11,933,722
	Employee benefits expense	30	75,478,454	69,292,936
	Finance costs	31	15,192,753	19,324,893
	Depreciation and amortisation expense	32	13,838,301	13,849,155
	Excise duty	33	37,974,157	38,489,753
	Other expenses	34	135,688,493	128,372,136
	Total expenses (IV)		536,220,346	549,195,745
V	Profit/ (loss) before exceptional items and tax (III- IV)		2,963,259	(3,780,818)
VI	Exceptional items		-	-
VII	Profit/ (loss) before tax (V-VI)		2,963,259	(3,780,818)
VIII	Tax expense:			
	(1) Current tax (Refer Note No 43)		-	-
	(2) Deferred tax		1,103,080	(8,581,156)
	(3) MAT credit entitlement		-	-
	(4) MAT Credit Entitlement available for set off in subsequent years		-	(182,694)
	(5) Excess provision relating to earlier years		-	619,070
	Total Tax Expense (VIII)		1,103,080	(8,144,780)
IX	Profit/ (loss) for the year (VII-VIII)		1,860,179	4,363,962
X	Other Comprehensive Income			
	Items that will not be reclassified to profit and loss			
	(i) Re-measurement gains (losses) on defined benefit plans		213,913	378,270
	(ii) Income tax effect on above		(72,709)	(128,574)
	Total Other Comprehensive Income		141,204	249,696
XI	Total Comprehensive Income for the year (IX+X) (Comprising profit and Other Comprehensive Income for the year)		2,001,383	4,613,658
XII	Earnings per equity share			
	(1) Basic (`)		0.36	0.82
	(2) Diluted (`)		0.36	0.82
	Significant accounting policies and notes to standalone Ind AS financial statements	1-49		

As per our report of even date attached

For and on behalf of Board of Directors

K.S.S.Bhatia
Partner

Membership No.: 122942

For & on behalf of

K.K.Mankeshwar & Co.,
Chartered Accountants

F.R.N.: 106009W

Gurgaon, dated the

19th May, 2017



[Signature]
Director

[Signature]
Director

PREMIER TISSUES INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Rs.)

	For the year ended	
	3/31/2017	3/31/2016
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net (loss)/profit before tax	2,963,259	(3,780,818)
Adjustments for :		
Depreciation	13,838,301	13,849,155
(Profit)/ Loss on disposal of assets	-	-
Bad - Debts, Deposits & Advances written off	2,490,703	-
Interest income	(582,939)	(480,391)
Finance costs	15,192,753	19,324,893
Operating profit before working capital changes	33,902,076	28,912,839
Adjustments for movement in working capital:		
(Increase)/decrease in inventories	(19,298,794)	13,314,807
(Increase)/decrease in trade receivables	5,333,511	(1,401,495)
(Increase)/decrease in loans, advances and other current assets	(5,628,054)	(2,129,653)
Increase/(decrease) in liabilities and provisions	33,667,159	9,284,014
Cash generated from Operations	47,975,898	47,980,512
Direct taxes paid (net of refunds)	(101,699)	(436,376)
Net cash generated from operations before exceptional and extraordinary items	47,874,199	47,544,136
Exceptional Items	-	-
Extraordinary items	-	-
Net cash generated from operating activities	47,874,199	47,544,136
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(1,959,541)	(1,274,919)
Sale of Fixed Assets (Net)	-	-
Interest income	582,939	480,391
Net cash used in investing activities	(1,376,602)	(794,528)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase / (Decrease) in Secured Loans	(39,898,478)	(18,509,488)
Interest and other finance costs	(15,192,753)	(19,324,893)
Net cash used in financing activities	(55,091,231)	(37,834,381)
Net increase/(decrease) in cash and cash equivalents	(8,593,633)	8,915,227
Cash and cash equivalents at the beginning of the year	(46,572,302)	(55,487,529)
Cash and cash equivalents at the end of the year	(55,165,935)	(46,572,302)

As per our report attached.

K.S.S.Bhatia
K.S.S.BHATIA
 Partner
 Membership No. 122942
 For and on behalf of
K.K.Mankeshwar & Co.
 Chartered Accountants
 F.R.N.: 106009W
 Gurgaon dated the
 19th May, 2017



[Signature]
 Director

[Signature]
 Director

For Premier Tissues India Limited

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2017

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2017

Balance as at 01.04.2016	Changes in equity share capital during the year	Balance as at 31.03.2017
56,204,270	0	56,204,270

For the year ended 31st March, 2016

Balance as at 01.04.2015	Changes in equity share capital during the year	Balance as at 31.03.2016
56,204,270	0	56,204,270

(B) OTHER EQUITY

Particulars	Retained earnings	Security premium reserves	FVOCI	Total equity
Balance as at 1st April 2016	51,989,391	57,891,921	-	109,881,312
Loss for the year	1,833,426			1,833,426
Other comprehensive gains / (Loss) for the period				-
- Remeasurments gains / (Loss) on defined benefit plans	-141,204			-141,204
				-
				-
Balance as at 31st March, 2017	53,681,613	57,891,921	0	111,573,534

Particulars	Retained earnings	Security premium reserves	FVOCI	Total equity
Balance as at 1st April 2015	47,246,865	57,891,921		105,138,786
Loss for the year	4,613,658			4,613,658
Other comprehensive gains / (Loss) for the period				-
- Remeasurments gains / (Loss) on defined benefit plans	-249,696			-249,696
- Amorisatation of upfront /transaction cost of long term borrowing	378,564			378,564
Balance as at 31st March, 2016	51,989,391	57,891,921	-	109,881,312



PREMIER TISSUES INDIA LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED
ON MARCH 31, 2017

1 Corporate information

Premier Tissues India Limited (the Company) is engaged in the business of manufacturing and selling of tissue papers. The Company has manufacturing facility near Mysore (Karnataka). The Company is a wholly owned subsidiary of Ballarpur Industries Limited.

2 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 (as amended)* and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the AFS.

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. These financial statements for the year ended 31st March 2017 are the first the company has prepared in accordance with Ind-AS. Refer to note 50 for information on how the company adopted Ind AS.

The company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2015 and March 31, 2016 and on the net profit and cash flows for the year ended March 31, 2016 is disclosed in these financial statements.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Land and buildings classified as property, plant and equipment
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

In addition, the carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in INR.

3 Significant accounting policies

a) Segmental reporting

The Company operates predominantly in only one business segment (manufacturing of Face tissues, Toilet Rolls, Hand towels, Serviettes) and accordingly, primary reporting disclosures for business segment, as envisaged in AS 17 - Segment Reporting, is not applicable.

b) Current versus non-current classification

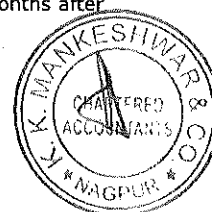
The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in 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
- 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.

c) Foreign currencies

The company's financial statements are presented in INR, which is also the parent company's functional currency. For each entity the company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company's entities at their respective 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.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

d) 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.

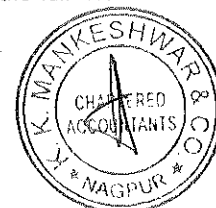
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 categorisation (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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares (discontinued operations)
- Property, plant and equipment under revaluation mode
- Investment properties
- Financial instruments (including those carried at amortised cost)

e) Property, plant and equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value (refer Note no 61). Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates which is different from one specified in Schedule II of the Companies Act, 2013. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life. Freehold land is not depreciated. Estimated useful lives of the assets are as follows:

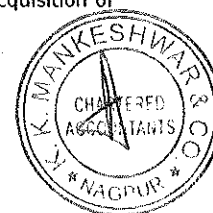
Categories of Assets	Estimated of useful life in year
- Factory Building	25
Plant & Machinery	
- Plant and Machinery	1 - 25
- Equipments	1 - 25
Other equipment, operating and office equipment	
- Computer equipment	1 - 5
- Office furniture and equipment	1 - 5
- Vehicles	1 - 5

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

f) Intangible Assets

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization. Costs include expenditure that is directly attributable to the acquisition of the intangible assets.



Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous years are as follows:

g) Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash-generating Companies) largely independent of cash flows of other cash-generating Companies. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

h) Financial instruments – initial recognition, subsequent measurement and impairment

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.

(i) Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in companies that share similar credit risk characteristics.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

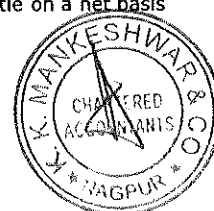
Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



Subsequent recoveries of amounts previously written off are credited to other Income.

ii) Financial liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

i) Derivative financial instruments and hedge activities

(a) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(b) Hedging activities

The company had designated certain borrowings in cash flow hedging relationship. Currently derivatives have not been designated in a cash flow hedge relationship.

The company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.



The full fair value of the hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is 12 months or less.

i. Cash flow hedge

The effective portion of foreign exchange results relating to proportion of the borrowings that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in other comprehensive income are recycled in the income statement in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to the income statement.

ii. Derivatives at fair value through profit or loss and accounted for at fair value through profit or loss

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any these derivative instruments are recognised immediately in the income statement.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

If the hybrid contract contains a host that is a financial asset within the scope Ind-AS 109, the company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

j) Inventories

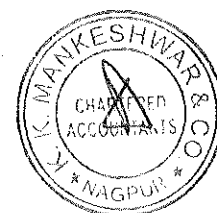
Inventories are valued at the lower of cost and net realisable value.

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

- Raw materials, Stores, Spare Parts, Chemicals etc., are valued at cost, computed on weighted average basis.
- Finished goods and work in progress: are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses. The cost of finished goods also includes applicable excise duty.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

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.



k) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

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.

l) Provisions

General

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. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Share capital, share premium and perpetual securities

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

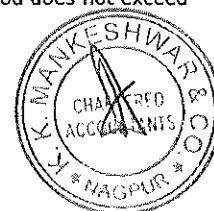
Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

Instruments which have no contractual obligations towards principal redemption and interest distributions and meets the definition of equity instrument are also classified as Equity.

m) Borrowing costs

(i) Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.



All other borrowing costs are expensed in the period in which they occur.

n) Revenue recognition

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty.

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 is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty.

Other operating income

Incentives on exports and other Government incentives related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

o) Employee benefits

Gratuity Plan

The gratuity plan is a defined benefit plan that, at retirement or termination of employment, provides eligible employees with a lump sum payment, which is a function of the last drawn salary and completed years of service. The liability recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, if any, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected Company credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using an appropriate government bond rate and that have terms to maturity approximating to the terms of the related gratuity liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service cost are recognised immediately in Income.

Compensated absences

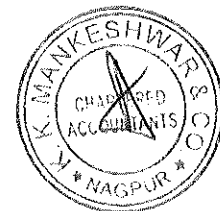
The company operates both accumulating and non-accumulating absences plan. The company measures the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. The company records a liability for accumulating balance based on actuarial valuation determined using projected Company credit method.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged to income statements in the period in which they arise.

Short-term employee benefits

The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the company.



Post-employment benefits - Defined contribution plans

The company's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the company has no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available

- i) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- ii) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- iii) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- iv) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

p) Leases

Lease payments under an operating lease are recognized as an expense in Statement of Profit and Loss on a straight line basis over the lease term.



9) 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 in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss. 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, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. 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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.



4 Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management required to make estimates, assumptions and judgements about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may be different from these estimates.

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

(i) Critical Judgements in Applying Accounting policies

In the process of applying the company's accounting policies, the management is of the opinion that there is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial period

4.1 Useful Lives of Property, plant and equipment

The Company regularly reviews the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment.

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

4.2 Intangibles

External adviser or Internal technical team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable

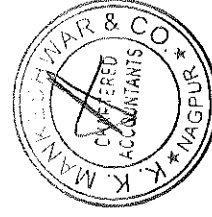
4.3 Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.



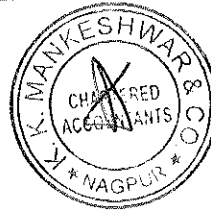
PREMIER TISSUES INDIA LIMITED
Note 5. Property Plant and Equipment

Particular	Land	Buildings	Plant & equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Total
As at July 1, 2014	1,352,396	82,889,923	266,891,511	6,965,794	6,660,252	3,380,817	4,387,310	372,528,003
Additions	-	-	9,314,262	-	-	166,712	66,873	9,547,847
Increase / Decrease due to Fair valuation	26,647,604	36,158,656	34,355,225	-1,556,205	-835,169	-71,996	66,234	94,764,349
Disposals	-	-	-	-	549,088	-	-	549,088
As at March 31, 2015	28,000,000	119,048,579	310,560,998	5,409,589	5,275,995	3,475,533	4,520,416	476,291,111
As at April 1, 2015	28,000,000	119,048,579	310,560,998	5,409,589	5,275,995	3,475,533	4,520,416	476,291,111
Additions	-	-	809,000	5,900	-	39,485	56,035	910,420
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2016	28,000,000	119,048,579	311,369,998	5,415,489	5,275,995	3,515,018	4,576,451	477,201,531
As at April 1, 2016	28,000,000	119,048,579	311,369,998	5,415,489	5,275,995	3,515,018	4,576,451	477,201,531
Additions	-	112,800	1,583,004	-	-	-	263,737	1,959,541
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2017	28,000,000	119,161,379	312,953,002	5,415,489	5,275,995	3,515,018	4,840,188	479,161,072
Accumulated Amortisation								
As at April 1, 2014	-	18,723,213	100,007,378	2,551,696	3,084,021	907,522	3,887,433	129,161,263
Depreciation for the year	-	1,949,192	6,741,201	575,214	678,065	414,406	219,911	10,577,989
Transfer to reserves	-	-	-	153,804	29,090	1,851,656	131,389	2,165,939
On Disposals	-	-	-	-	275,815	-	-	275,815
As at March 31, 2015	-	20,672,405	106,748,579	3,280,714	3,515,361	3,173,584	4,238,733	141,629,376
As at April 1, 2015	-	20,672,405	106,748,579	3,280,714	3,515,361	3,173,584	4,238,733	141,629,376
Depreciation for the year	-	3,735,838	9,106,911	253,064	334,711	68,414	76,880	13,575,818
On Disposals	-	-	-	-	-	-	-	-
As at March 31, 2016	-	24,408,243	115,855,490	3,533,778	3,850,072	3,241,998	4,315,613	155,205,194
As at April 1, 2016	-	24,408,243	115,855,490	3,533,778	3,850,072	3,241,998	4,315,613	155,205,194
Depreciation for the year	-	3,735,850	9,126,692	253,415	334,243	63,943	74,631	13,588,774
On Disposals	-	-	-	-	-	-	-	-
As at March 31, 2017	-	28,144,093	124,982,182	3,787,193	4,184,315	3,305,941	4,390,244	168,793,968
Net Block value								
As at 01.04.2015	28,000,000	98,376,174	203,812,419	2,128,875	1,760,634	301,949	281,684	334,661,735
As at 31.03.2016	28,000,000	94,640,336	195,514,508	1,881,711	1,425,923	273,020	260,839	321,996,337
As at 31.03.2017	28,000,000	91,017,286	187,970,820	1,628,296	1,091,680	209,077	449,945	310,367,104



Note 7. Other Intangible Assets

Particular	Softwares	Total
As at July 1, 2014	1,490,787	1,490,787
Additions	-	-
Increase / Decrease due to Fair valuation	678,332	678,332
Disposals	-	-
As at March 31, 2015	2,169,119	2,169,119
As at April 1, 2015	2,169,119	2,169,119
Additions	810,000	810,000
Disposals	-	-
As at March 31, 2016	2,979,119	2,979,119
As at April 1, 2016	2,979,119	2,979,119
Additions	-	-
Disposals	-	-
As at March 31, 2017	2,979,119	2,979,119
Accumulated Amortisation		
As at April 1, 2014	975,258	975,258
Depreciation for the year	238,825	238,825
Transfer to reserves	163,288	163,288
On Disposals	-	-
As at March 31, 2015	1,377,370	1,377,370
As at April 1, 2015	1,377,370	1,377,370
Depreciation for the year	273,337	273,337
On Disposals	-	-
As at March 31, 2016	1,650,707	1,650,707
As at April 1, 2016	1,650,707	1,650,707
Depreciation for the year	249,527	249,527
On Disposals	-	-
As at March 31, 2017	1,900,234	1,900,234
Net Block value		
As at 01.04.2015	791,749	791,749
As at 31.03.2016	1,328,412	1,328,412
As at 31.03.2017	1,078,885	1,078,885



5 Property, Plant and Equipment

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Tangible Assets	310,367,103	321,996,336	334,661,735
Total	310,367,103	321,996,336	334,661,735

6 Capital Work In Progress

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Capital Work-in-progress	-	-	445,500
Total	-	-	445,500

7 Other Intangible Assets

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Intangible Assets	1,078,885	1,328,412	791,749
Total	1,078,885	1,328,412	791,749

8 Financial Assets (Other)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Unsecured, considered good - Security Deposits	7,449,811	7,950,811	6,707,034
Total	7,449,811	7,950,811	6,707,034

9 Other Non-Current Assets

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Withholding tax recoverable	5,734,876	5,633,177	5,634,221
Total	5,734,876	5,633,177	5,634,221

10 Inventories

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Raw materials	19,449,698	15,450,341	13,856,647
Work in progress	26,421,254	17,878,528	28,946,179
Finished goods	23,118,958	21,660,969	18,715,674
Stock in trade	5,983,770	6,866,238	10,677,604
Stores and spares	5,390,588	5,534,302	5,467,094
Chemicals	3,312,257	721,816	1,675,880
Packing material	9,160,789	5,426,327	7,514,250
Total	92,837,315	73,538,521	86,853,328



CURRENT ASSETS - FINANCIAL ASSETS

11 Trade Receivables

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Trade receivables Secured Considered good:-			
- Due from related parties	-	-	-
- Due from others (more than 6 months)	-	-	-
- Due from others (less than 6 months)	6,999,486	9,945,012	8,862,769
Total Secured	6,999,486	9,945,012	8,862,769
Unsecured Considered good			
- Due from related parties	30,095	310,424	3,326
- Due from others (more than 6 months)	7,675,559	6,755,067	1,728,550
- Due from others (less than 6 months)	13,102,133	14,683,686	18,653,942
Less: Provision for doubtful debts	2,490,702	1,044,107	-
Total Unsecured	18,317,085	20,705,070	20,385,818
Total	25,316,571	30,650,082	29,248,587

12 Cash and Cash Equivalents

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Balances with Banks :			
- On Current accounts	2,256,688	1,752,603	2,646,213
Cash on hand	178,691	138,223	62,664
Total	2,435,379	1,890,826	2,708,877

13 Other Bank Balances

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
In unpaid dividend accounts	10,655	48,250	48,250
Total	10,655	48,250	48,250

14 Other Current Assets

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Prepaid Expenses	991,304	1,431,378	1,430,249
Advances To Employees	392,816	195,351	97,701
Advances To Trade Creditors	785,120	2,200,599	305,335
Loans And Advances To Related Parties	112,183	-	113,604
(b) Balance with Govt Authorities*	6,891,680	1,624,110	2,865,024
(c) Other Current Assets	524,645	607,959	360,564
Total	9,697,748	6,059,397	5,172,477

* Pledged with Banks, government departments and others.



15 Equity Share Capital

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Authorised 65,00,000 (Previous Year 65,00,000) equity shares of ` 10/- each	65,000,000	65,000,000	65,000,000
	65,000,000	65,000,000	65,000,000
Issued, Subscribed and fully paid-up 56,20,427 (Previous Year 56,20,427) equity shares of ` 10/- each	56,204,270	56,204,270	56,204,270
Total	56,204,270	56,204,270	56,204,270

(a) Reconciliation of the number of shares :-

Particulars	No. of Shares	As at March 31, 2017	No. of Shares	As at March 31, 2016	No. of Shares	As at April 1, 2015
Balance as at the beginning of the year/period	5,620,427	56,204,270	5,620,427	56,204,270	5,620,427	56,204,270
Add:- Issued during the Year	-	-	-	-	-	-
Balance as at the end of the year/period	5,620,427	56,204,270	5,620,427	56,204,270	5,620,427	56,204,270

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts.

(c) Shares held by holding company and Ultimate holding company:

Name of shareholders	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Ballarpur Industries Limited	5,620,367	56,203,670	5,620,367	56,203,670	5,620,367	56,203,670
Ballarpur Industries Limited	60	600	60	600	60	600
Balance as at the end of the year/period	5,620,427	56,204,270	5,620,427	56,204,270	5,620,427	56,204,270

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

Name of shareholders	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	Holding %	No. of Shares	Holding %	No. of Shares	Holding %
Ballarpur Industries Limited	5,620,367	100.00%	5,620,367	100.00%	5,620,367	100.00%
Total	5,620,367	100.00%	5,620,367	100.00%	5,620,367	100.00%



16 Other Equity

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Balance in Statement of Profit and Loss At the beginning of the reporting year	72,291,166	76,141,127	72,336,646
Add:			
Share Premium reserve	57,891,921	57,891,921	57,891,921
Adjustment for Depreciation in accordance with schedule II of the Companies Act, 2013	-	-	-
Reserve & Surplus OCI	-	-	-
Other reserve	(20,469,731)	(28,515,698)	-
OCI Remeasurement of defined benefit Plan (BS)	(141,204)	(249,696)	-
Profit for the year as per statement of profit and loss	2,001,383	4,613,658	(25,089,781)
Total	111,573,534	109,881,312	105,138,786

NON-CURRENT FINANCIAL LIABILITY

17 Borrowings

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Secured Loans:			
External commercial borrowings	12,250,000	38,083,273	56,178,764
Vehicle Loan	-	8,946	91,288
Total	12,250,000	38,092,219	56,270,052

1. Term loan from Bank :-

The Company has obtained a Rupee term loan from Yes Bank for Rs. 165 Million at Base Rate plus margin of 2.85%. The loan is repayable by twenty quarterly installments starting from July 2011. The loan is secured by exclusive charge on movable Fixed Assets of the Company and Immovable Fixed Assets at Mysore.

2. Term loan from Bank against Vehicle: -

The company has obtained vehicle loan from Yes Bank For Rs.3.37 lakhs repayable in 48 equated monthly installments commencing from May, 2013 along with interest @ 13%.

Sr. No.	Name of Bank	Sanctioned Amount	As on date	Total Outstanding Amount	Current	Non-Current	Interest rate
a)	Yes Bank Ltd - Term Loan	185,000,000	31-Mar-17	36,380,423	24,130,422	12,250,000	Benchmark Rates + 2.85%
			31-Mar-16	76,169,819	38,086,546	38,083,273	
			1-Apr-15	94,706,048	38,527,284	56,178,764	
b)	Yes Bank Ltd - Vehicle Loan	337,000	31-Mar-17	8,947	8,947	-	Interest @ 13.10 %
			31-Mar-16	109,083	91,288	17,795	
			1-Apr-15	197,075	105,787	91,288	

Sr. No.	Particular	Security	Repayment terms	Breaches & defaults
1	Term Loan of Rs.16.50 crores	The loan is secured by exclusive charge on movable fixed Assets of the Company and immovable fixed Assets at Mysore.	The loan is repayable by twenty quarterly installments starting from July 2011.	Nil
2	Term Loan of Rs. 2 Crores	The loan is secured by exclusive charge on movable fixed Assets of the Company and immovable fixed Assets at Mysore.	16 quarterly installments after a moratorium period of 12 months w.e.f. November, 2016	Nil
3	Vehicle Loan Rs. 3.37 Lakhs	secured against hypothecation of motor vehicle	Repayable in 48 equated monthly installments commencing from May, 2013	Nil



18 Other Financial Liabilities

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Security Deposit	10,000,280	9,469,280	9,229,280
Total	10,000,280	9,469,280	9,229,280

19 Provisions

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Provisions for employee benefits :-			
- Provision for gratuity	4,016,505	3,655,045	3,341,953
- Provision for leave encashment	960,560	877,968	928,792
Total	4,977,065	4,533,013	4,270,745

20 Deferred tax liability (net)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Deferred Tax Liabilities (Net)	52,286,544	51,393,777	60,353,497
Total	52,286,544	51,393,777	60,353,497

CURRENT LIABILITY - FINANCIAL LIABILITY**21 Borrowings**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Working Capital Loan From Banks - Secured	57,611,969	48,511,378	58,244,656
Total	57,611,969	48,511,378	58,244,656

A Security:

The above working capital loans from Banks are secured by way of Exclusive charge on all the Current Assets; both present and future.

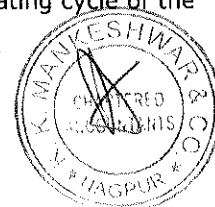
B. Defaults and Breaches : Nil**22 Trade payables**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
For Acceptances			
To Micro, Small and Medium Enterprises	20,783	36,702	90,201
Payable to Related Parties	17,530,728	10,421,392	9,853,657
Other payables	92,841,599	73,483,443	63,393,828
Total	110,393,110	83,941,537	73,337,686

Micro and Small Enterprises under the Micro and Small Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Principal amount remaining unpaid	-	22,626	78,990
Interest due thereon	6,707	2,865	5,270
Interest paid by the Company in terms of Section 16	-	-	-
Interest due and payable for the period of delay in payment	14,076	11,211	5,941
Interest accrued and remaining unpaid	20,783	14,076	11,211
Interest remaining due and payable even in succeeding years	20,783	14,076	11,211

All trade payables are non interest bearing and payable or settled with in normal operating cycle of the Company



23 Other Financial Liabilities

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Current maturities of long term debt	23,724,093	37,334,383	37,469,212
Interest accrued but not due on borrowings	415,276	861,246	1,058,072
Unpaid dividends	-	48,250	48,250
Interest Accrued On Security Deposits	-	408,089	371,626
Statutory dues	6,282,665	49,323	1,887,237
Total	30,422,034	38,701,291	40,834,397

24 Other Current Liabilities

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Advance received from customers	1,957,321	1,224,738	1,766,661
Payable to employee	6,839,071	6,855,697	6,219,468
Total	8,796,392	8,080,435	7,986,129

25 Provisions

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Provisions for employee benefits :			
- Provision for gratuity	379,495	522,858	257,315
- Provision for leave encashment	33,649	(235,558)	144,945
Total	413,144	287,300	402,260

26 Revenue from Operations

Particulars	31-Mar-17	31-Mar-16
Sale of products		
Paper (including coated)	533,955,357	542,995,504
	533,955,357	542,995,504
Other operating revenue		
Scrap sale	1,004,443	912,490
Export incentive	116,769	159,657
	1,121,212	1,072,147
Total	535,076,569	544,067,651

27 Other Income

Particulars	31-Mar-17	31-Mar-16
Gain on foreign currency fluctuations	845,607	-
Interest earned	582,939	480,391
Other non operating Income (net of expenses directly attributable to such Income)	2,678,489	866,885
Total	4,107,036	1,347,276



28 Cost of Material Consumed

Particulars	31-Mar-17	31-Mar-16
Chemicals	7,596,653	5,976,785
Wood pulp	105,735,971	113,626,022
Packing materials	49,138,910	48,536,187
Others	71,428,357	63,000,137
Total	233,899,891	231,139,131

29 Changes in inventories of finished goods, stock-in-trade and work-in-progress

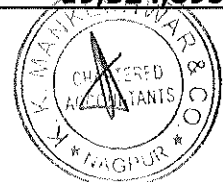
Particulars	31-Mar-17	31-Mar-16
Stocks at the beginning of the year		
Finished goods		
Paper	21,660,969	18,715,674
Work in progress		
Paper	17,878,528	28,946,179
Traded Goods		
Foil, Cling film, Etc	6,866,238	10,677,604
Total (A)	46,405,735	58,339,457
Stocks at the end of the year		
Finished goods		
Paper	23,118,958	21,660,969
Work in progress		
Paper	26,421,254	17,878,528
Traded Goods		
Foil, Cling film, Etc	5,983,770	6,866,238
Total (B)	55,523,982	46,405,735
Net (Increase)/Decrease in Stocks (A-B)	(9,118,247)	11,933,722

30 Employee Benefit Expenses

Particulars	31-Mar-17	31-Mar-16
Salaries and wages	65,832,859	61,069,605
Contribution to provident and other funds	4,290,410	3,589,986
Staff welfare expenses	5,355,185	4,633,345
Total	75,478,454	69,292,936

31 Finance Costs

Particulars	31-Mar-17	31-Mar-16
Interest expenses : -		
- To others	14,792,753	18,639,543
Other borrowing costs	400,000	685,350
Total	15,192,753	19,324,893



32 Depreciation and Amortisation Expense

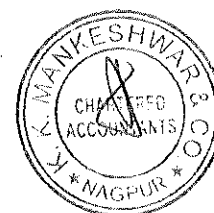
Particulars	31-Mar-17	31-Mar-16
Depreciation on Tangible Assets	13,588,774	13,575,818
Amortization of Intangible Assets	249,527	273,337
Total	13,838,301	13,849,155

33 Excise Duty

Particulars	31-Mar-17	31-Mar-16
Excise duty	37,974,157	38,489,753
Total	37,974,157	38,489,753

34 Other Expenses

Particulars	31-Mar-17	31-Mar-16
Consumption of stores and spare parts	8,601,435	7,967,778
Power and fuel	39,759,983	40,021,641
Excise duty on year end inventory of finished goods	158,102	460,115
Rent	1,567,500	1,399,801
Repairs to machinery	2,305,791	2,252,160
Repairs others	1,211,477	1,266,182
Loss on foreign currency fluctuations	-	191,388
Insurance	2,532,248	2,677,226
Rates and taxes	5,047,850	4,336,139
Office & other expenses	21,413,817	22,755,582
Bank charges	476,416	289,929
Payment to auditors		
- Statutory Audit Fees	225,000	225,000
- Tax/VAT Audit Fees	75,000	75,000
-Certification fee and Other services	20,088	35,000
Selling expenses	45,878,212	40,096,183
Provision of Bad & Doubtful Debts	2,490,703	-
Legal and professional charges	3,199,642	4,080,527
Miscellaneous Expenses	725,230	242,485
Total	135,688,493	128,372,136



35 Financial risk management

35.1 Financial risk factors

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and financial liabilities held as at March 31st2017 and March 31st 2016.

ii) Credit risk

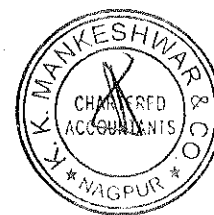
Credit risk is the risk that a counter party will not meet its obligations under a customer contract, leading to a financial loss.

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

Under policies approved by the board of directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, and investment of excess liquidity.



(a) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The management also maintains a portfolio mix of floating and fixed rate debt. Borrowings issued at variable rates expose the Company to cash flow interest rate risk as at March 31, 2017.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings and loans on which interest rate swaps are taken.

Interest rate sensitivity	Increase/ Decrease in basis points	Effect on profit before tax
For the year ended March 31, 2017		
INR borrowings	+50	(470,007)
	-50	470,007
USD borrowings	+50	-
	-50	-
For the year ended March 31, 2016		
INR borrowings	+50	(623,996)
	-50	623,996
USD borrowings	+50	-
	-50	-

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.



(b) Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enters into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

Particulars	Neither due nor impaired (including unbilled)	Past due			Total
		upto 6 months	6 to 12 months	Above 12 months	
Trade Receivables					
As at March 31, 2017					
Secured	-	6,999,486	-	-	6,999,486
Unsecured	-	13,102,133	1,929,186	5,776,469	20,807,787
Gross Total	-	20,101,620	1,929,186	5,776,469	27,807,274
Provision for doubtful receivables	-	-	-	2,490,702	2,490,702
Net Total	-	20,101,620	1,929,186	3,285,766	25,316,571
As at March 31, 2016					
Secured	-	9,945,012	-	-	9,945,012
Unsecured	-	14,683,686	3,307,385	3,758,106	21,749,177
Total	-	24,628,698	3,307,385	3,758,106	31,694,189
Provision for doubtful receivables	-	-	-	1,044,107	1,044,107
Net Total	-	24,628,698	3,307,385	2,713,999	30,650,082

Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Liquidity risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.



Particulars	As at March 31, 2017					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1years	
Interest bearing borrowings (including current maturities)	-	57,611,969	12,035,036	12,104,334	12,250,000	94,001,338
Financial derivatives	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-
Total	-	57,611,969	12,035,036	12,104,334	12,250,000	94,001,338

Particulars	As at March 31, 2016					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1years	
Interest bearing borrowings (including current maturities)	-	48,511,378	18,372,668	19,822,961	38,092,219	124,799,226
Financial derivatives	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-
Total	-	48,511,378	18,372,668	19,822,961	38,092,219	124,799,226



35.2 Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

35.3 Capital risk management

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 primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31st 2017 and March 31st 2016.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits, excluding discontinued operations.

The Company monitors capital using gearing ratio, which is net debt divided by total capital. During 2016-17, the company's strategy, which was unchanged from 2015-16, was to maintain a gearing ratio within 65% to 85%, the gearing ratios at March 31, 2017 and March 31, 2016 were as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Loans and borrowings	94,001,338	124,799,226
Less: cash and cash equivalents	2,446,035	1,939,076
Net debt	91,555,304	122,860,150
Total capital	56,204,270	56,204,270
Capital and net debt	147,759,574	179,064,420
Gearing ratio	0.61	0.46

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 of the financial covenants of any interest bearing loans and borrowing for reported periods.

36 Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets designated at fair value through profit and loss						
Financial assets designated at amortised cost						
Fixed deposits with banks						
Cash and bank balances	2,446,035	2,446,035	1,939,076	1,939,076	2,757,127	2,757,127
Investment	-	-	-	-	-	-
Trade and other receivables	27,807,274	27,807,274	30,650,082	30,650,082	29,248,587	29,248,587
Other financial assets	-	-	-	-	-	-
Total	30,253,309	30,253,309	32,589,158	32,589,158	32,005,714	32,005,714



Particulars	As at March 31, 2017		As at March 31, 2016		As at April, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities designated at amortised cost						
Borrowings - fixed rate	36,389,370	36,389,370	76,287,848	76,287,848	-	-
Borrowings - floating rate	57,611,969	57,611,969	48,511,378	48,511,378	58,244,656	58,244,656
Trade & other payables	110,393,110	110,393,110	83,941,537	83,941,537	73,337,686	73,337,686
Other financial liabilities	30,422,034	30,422,034	38,701,291	38,701,291	40,834,397	40,834,397
Total	234,816,483	234,816,483	247,442,054	247,442,054	172,416,739	172,416,739

* Non-current investment in equity shares designated at fair value through other comprehensive income where carrying value and fair value is nil as on March 31st 2017

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) 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, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values.
- 3) IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair calculated using straight-line method of depreciation on the present replacement value.



37 Segment information**Information about primary segment**

The Company is engaged primarily into one business segment i.e. manufacturing of Face Tissues, Toilet Rolls, Hand Towels, Serviettes and accordingly Segment reporting is not applicable to the company.

38 Income tax expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current tax		
In respect of current period	-	619,070
In respect of MAT Credit		(182,694)
Deferred tax		
In respect of current period	869,344	(8,920,043)
Income tax expense recognised in the statement of profit or loss	869,344	(8,483,667)
Income tax recognised in other comprehensive income		
Deferred tax arising on income and expense recognised in other comprehensive income		
Net loss / (gain) on remeasurement of defined benefit plan	72,709	128,574
Net loss / (gain) on Transaction cost	161,027	210,313
Net loss / (gain) on investment in equity shares at FVTOCI		
Total	233,736	338,887



39 Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows.

Particulars	As at March 31, 2017	As at March 31, 2016
Book base and tax base of Fixed Assets	(274,408)	14,877,240
(Disallowance)/Allowance (net) under Income Tax	432,221	(361,632)
Brought forward losses set off	(1,260,893)	(5,934,452)
Total	(1,103,080)	8,581,156

Component of tax accounted in OCI and equity

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Component of OCI		
Deferred Tax (Gain)/Loss on defined benefit	(72,709)	(128,574)

40 Retirement benefit obligations**1. Expense recognised for Defined Contribution plan**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Company's contribution to provident fund	2,376,703	2,117,797
Company's contribution to ESI	424,541	18,594
Company's contribution to superannuation fund	-	-
Company's contribution other	1,489,166	1,453,595
Total	4,290,410	3,589,986



Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the standalone Balance Sheet as at March 31, 2017 and March 31, 2016, being the respective measurement dates:

1. Movement in obligation

Particulars	Gratuity (Un Funded)	Leave encashment (unfunded)
Present value of obligation - April 1, 2015	3,599,268	1,073,737
Acquisitions / Transfer in/ Transfer out	-	-
Current service cost	749,484	393,404
Interest cost	259,884	48,915
Benefits paid	(430,733)	(873,646)
Remeasurements - actuarial loss/ (gain)	(80,859)	459,129
Present value of obligation - March 31, 2016	4,097,044	1,101,539
Present value of obligation - April 1, 2016	4,097,044	1,101,539
Acquisitions / Transfer in/ Transfer out	-	-
Current service cost	683,998	457,889
Interest cost	288,778	56,532
Benefits paid	(673,820)	(621,752)
Remeasurements - actuarial loss/ (gain)	18,536	195,377
Present value of obligation - March 31, 2017	4,414,536	1,189,585

The components of the gratuity & leave encashment cost are as follows:

2 Recognised in profit and loss

Particulars	Gratuity	leave encashment
Current Service cost	749,484	393,404
Interest cost	259,884	48,915
Expected return on plan assets	-	-
Remeasurement - Acturial loss/(gain)	(80,859)	459,129
For the year ended March 31, 2016	928,509	901,448
Actual return on plan assets	-	-
Current Service cost	683,998	457,889
Interest cost	288,778	56,532
Expected return on plan assets	-	-
Remeasurement - Acturial loss/(gain)	18,536	195,377
For the year ended March 31, 2017	991,312	709,798
Actual return on plan assets	-	-

3 Recognised in Other Comprehensive Income

Particulars	Gratuity	Leave Encashment
Remeasurement - Acturial loss/(gain)	(80,859)	459,129
For the year ended March 31, 2016	928,509	901,447
Remeasurement - Acturial loss/(gain)	(80,859)	195,377
For the year ended March 31, 2017	928,509	709,799



5 The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2015-16 as considered in previous GAAP on transition to IND AS.

Weighted average actuarial assumptions	As at March 31, 2017	As at March 31, 2016
Attrition rate	10%	5%
Discount Rate	7.15%	7.68%
Expected Rate of increase in salary	8%	10%
Expected Rate of Return on Plan Assets	0%	0%
Mortality rate	5%	5%
Expected Average remaining working lives of employees (years)		

6 Sensitivity analysis:

Particulars	Change in Assumption	Effect on Gratuity
For the year ended March 2016		
Discount rate	+1%	-360,992
	-1%	414,718
Salary Growth rate	+1%	378,051
	-1%	-336,898
Withdrawal Rate	+1%	-
	-1%	-
For the year ended March 2017		
Discount rate	+1%	4,249,269
	-1%	4,835,566
Salary Growth rate	+1%	4,795,640
	-1%	4,073,983
Withdrawal Rate	+1%	4,372,837
	-1%	4,459,560

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.



7. Statement of Employee benefit provision

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Gratuity	4,414,536	4,097,044
Leave encashment	1,189,585	1,101,539
Total	5,604,121	5,198,583

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

8. Current and non-current provision for Gratuity and leave encashment

Particulars	Gratuity	Leave encashment
For the year ended March 2016		
Current provision	441,999	223,571
Non current provision	3,655,045	877,968
Total Provision	4,097,044	1,101,539
For the year ended March 2017		
Current provision	398,031	229,025
Non current provision	4,016,505	960,560
Total Provision	4,414,536	1,189,585

9. Employee benefit expenses

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and Wages	65,832,859	61,069,605
Costs-defined benefit plan	-	-
Costs-defined contribution plan	4,290,410	3,589,986
Welfare expenses	5,355,185	4,633,345
Total	75,478,454	69,292,936

(Figure in nos.)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Average no of people employed	327	311

OCI presentation of defined benefit plan

- Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.



41 Other disclosures

Amount in Lakhs

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
a) Auditors Remuneration		
1 Statutory Auditors		
i. Audit Fee	225,000	225,000
ii. Tax Audit Fee	75,000	75,000
iii. Certification/others	20,088	35,000
iv. Other capacity	-	-
iv. Out of pocket Expenses	-	-
Total	320,088	335,000

b) Foreign currency fluctuation on long term borrowings

All the borrowings of the company is in INR only, accordingly the same is not applicable on the company.



42 **Contingent Liabilities****i) Guarantees**

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Guarantees issued by the Company's bankers on behalf of the Company	2,200,000	-	-
Total	2,200,000	-	-

ii) Letter of Credit Outstanding

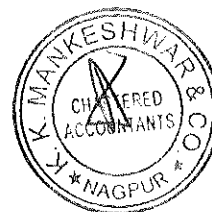
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Letter of Credit Outstanding	5,923,015	3,958,988	10,932,140

iii) Other contingent liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Income tax demands against which company has preferred appeals	619,162	619,162	619,162
Disputed Sales Tax	3,953,402	3,576,594	4,754,512
Total	4,572,564	4,195,756	5,373,674

43 **Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Property, Plant and Equipment	-	-	364,500



44 **Related party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

1. **Key Management personnel - Nil**

2. **Related parties**

i. **Entities where control exist – Subsidiaries and Indirect Subsidiaries**

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	% Shareholding / Voting	
			As at March 31, 2017	As at March 31, 2016
1	Direct Subsidiaries Ballarpur Industries Limited	India	100%	100%
1	In-Direct Subsidiaries BILT Graphic Paper Products Limited	India	0%	0%
2	Avantha Holdings Limited	India	0%	0%

Related party transactions:

Full Chart

a) Summary of the transactions with related parties is as follows:

S.No.	Particulars	(Amount in Rs.)	
		For the year ended March 31, 2017	For the year ended March 31, 2016
1	Sales of goods and services - Ballarpur Industries Limited - BILT Graphic Paper Products Limited	3,371 68,219	6,790 672,484
2	Purchases of goods and services: - Ballarpur Industries Limited - Avantha Holdings Limited - BILT Graphic Paper Products Limited	4,473,466 2,540,291 -	1,254,515 1,861,418 5,922

b) Outstanding Balance of related parties is as follows:

Sr. No.	Particulars	(Amount in Rs.)	
		As at March 31, 2017	As at March 31, 2016
1	Ballarpur Industries Limited (Net balance)	(6,012,299)	(1,562,311)
2	BILT Graphic Paper Products Limited (Net balance)	(242,179)	310,424
3	Avantha Holdings Limited	(11,401,370)	(8,746,897)



45 Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	(Number of shares)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Issued equity shares	5,620,427	5,620,427
Weighted average shares outstanding - Basic and Diluted	5,620,427	5,620,427

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows :-

Particulars	Year Ended March	
	31, 2017	31, 2016
Profit and loss after tax for EPS	2,001,384	4,613,658
Basic Earnings per share (B/A)	0.36	0.82
Diluted Earnings per share (B/A)	0.36	0.82

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

46 Impairment review

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.

The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of any assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid term market conditions.

Key assumptions used in value-in-use calculations:

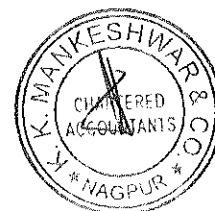
- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

Growth rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required



Provisions

Movement in each class of provision during the financial year are provided below:

Particulars	Employee Benefits	Total
As at March 31, 2015	4,673,005	4,673,005
Provision during the year	1,829,957	1,829,957
Remeasurement losses accounted for in OCI	378,270	378,270
Payment during the year	(1,304,379)	(1,304,379)
Interest charge	308,799	308,799
As at March 31, 2016		
Provision during the year	1,701,110	1,701,110
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurement losses accounted for in OCI	213,913	213,913
Payment during the year	(1,295,572)	(1,295,572)
Interest charge	345,310	345,310
As at March 31, 2017		
As at March 31, 2016		
Current	665,570	665,570
Non Current	4,533,013	4,533,013
As at March 31, 2017		
Current	627,056	627,056
Non Current	4,977,065	4,977,065

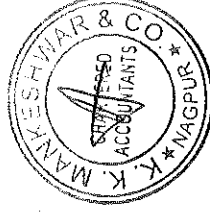


SBN Held and transaction during the period

In the Companies Act, 2013 (hereinafter referred to as the principal Act), in Schedule III, in Division I, in Part I under the heading "General instructions for preparation of Balance Sheet" in paragraph 6, after clause „W", the following clause shall be inserted namely:-

Every company shall disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below :

Particulars	SBNs		Other denomination notes						Total
	Rs.1000	Rs.500	Rs 2000	Rs.100	Rs.50	Rs.20	Rs.10	Coins	
Closing cash in hand as on 08.11.2016	40,000			98,800	17,550	460	210	76	157,096
Permitted Receipts			90,000	15,000	10,000	2,000	1,000		118,000
Permitted Payments			32,000	63,400	550	40	30	20	96,040
Amount Deposited Into Bank Accounts	40,000								40,000
Closing cash in hand as on 30.12.2016	-	-	58,000	50,400	27,000	2,420	1,180	56	139,056



Transition to IND AS**Basis of preparation**

For all period up to and including the year ended March 31, 2016, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2017 are the Company's first annual IND AS financial statements and have been prepared in accordance with IND AS.

Accordingly, the Company has prepared financial statements which comply with IND AS applicable for periods beginning on or after April 1, 2015 as described in the accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at April 1, 2015 the Company's date of transition to IND AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Balance Sheet as at April 1, 2015 and its previously published Indian GAAP financial statements for the year ended March 31, 2016 and year ended March 31, 2016.

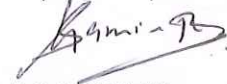
Exemptions Applied

IND AS 101 First-time adoption of Indian Accounting Standards allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2015 opening balance sheet.

Following exemptions availed from other IND ASAs per Appendix D of IND AS 101.

1. Deemed cost for Property, Plant and Equipment (PPE) – The Company has elected to measure items of PPE at the date of transition to IND AS at their fair value. Company has used the fair value of assets, which is considered as deemed cost on transition. The impact on fair valuation of Property, Plant and Equipment on transition from previous GAAP is Rs. 954.43 Lacs and the deemed cost considered on transition is Rs 954.43 lacs Life and salvage value of assets has been revisited on transition date and revised estimated life less life expired on date of transition has been considered as revised life for all assets. The impact of change in life and salvage value is provided in Note no 5

As per our report of even date attached



K.S.S.BHATIA

Partner

Membership No. 122942

For and on Behalf of

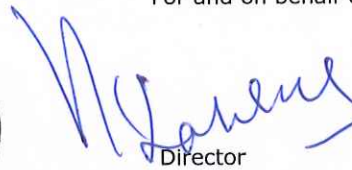
K K MANKESHWAR & CO.

Chartered Accountants

Firm's Registration No: - 106009W



For and on behalf of Board of Directors



Director



Director

Gurgaon, dated the,
19th May 2017

DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS(contd.)

Reconciliation of equity as at march 31, 2015

Particulars	Note No.	IGAAP AS AT 31-Mar-15	Adjustment	IND-AS AS AT 31-Mar-15
ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment	5	239,897,386	94,764,349	334,661,735
(b) Capital work-in-progress	6	445,500	-	445,500
(c) Other intangible assets	7	113,417	678,332	791,749
(d) Financial Assets				
(i) Others	8	6,707,034	-	6,707,034
(e) Other non-current assets	9	5,634,221	-	5,634,221
(2) current Assets				
(a) Inventories	10	86,853,328	-	86,853,328
(B) Financial Assets				
(i) Trade receivables	11	29,248,587	-	29,248,587
(ii) Cash and cash equivalents	12	2,708,877	-	2,708,877
(iii) Bank balances other than (iii) above	13	48,250	-	48,250
(c) Other current assets	14	5,172,477	-	5,172,477
Total Assets		376,829,077	95,442,681	472,271,758
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	56,204,270	-	56,204,270
(b) Other equity	16	38,590,367	66,548,419	105,138,786
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	56,888,802	(618,750)	56,270,052
(ii) Other financial liabilities	18	9,229,280	-	9,229,280
(b) Provisions	19	4,270,745	-	4,270,745
(c) Deferred tax liabilities (Net)	20	30,345,485	30,008,012	60,353,497
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	21	58,244,656	-	58,244,656
(ii) Trade payables	22	73,337,686	-	73,337,686
(iii) Other financial liabilities	23	41,329,397	(495,000)	40,834,397
(b) Other current liabilities	24	7,986,129	-	7,986,129
(c) Provisions	25	402,260	-	402,260
Total Equity and Liabilities		376,829,077	95,442,681	472,271,758



DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS(contd.)
Reconciliation of equity as at march 31, 2016

Particulars	Note No.	IGAAP AS AT 31-Mar-16	Adjustment	IND-AS AS AT 31-Mar-16
ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment	5	227,306,874	94,689,462	321,996,336
(b) Capital work-in-progress	6			
(c) Other intangible assets	7	748,323	580,089	1,328,412
(d) Financial Assets				
(i) Others	8	7,950,811	-	7,950,811
(e) Other non-current assets	9	5,633,177	-	5,633,177
(2) current Assets				
(a) Inventories	10	73,538,521	-	73,538,521
(B) Financial Assets				
(i) Trade receivables	11	30,650,082	-	30,650,082
(ii) Cash and cash equivalents	12	1,890,826	-	1,890,826
(iii) Bank balances other than (iii) above	13	48,250	-	48,250
(c) Other current assets	14	6,059,397	-	6,059,397
Total Assets		353,826,261	95,269,551	449,095,812
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	56,204,270	-	56,204,270
(b) Other equity	16	34,913,535	74,967,777	109,881,312
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	38,215,969	-123,750	38,092,219
(ii) Other financial liabilities	18	9,469,280	-	9,469,280
(b) Provisions	19	4,533,013	-	4,533,013
(c) Deferred tax liabilities (Net)	20	30,094,983	21,298,794	51,393,777
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	21	48,511,378	-	48,511,378
(ii) Trade payables	22	83,941,537	-	83,941,537
(iii) Other financial liabilities	23	39,196,291	-495,000	38,701,291
(b) Other current liabilities	24	8,080,435	-	8,080,435
(c) Provisions	25	665,570	-378,270	287,300
Total Equity and Liabilities		353,826,261	95,269,551	449,095,812



DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS(contd.)

Reconciliation of equity as at march 31, 2017

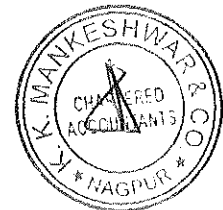
Particulars	Note No.	IGAAP AS AT 31-Mar-17	Adjustment	IND-AS AS AT 31-Mar-17
ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment	5	215,698,388	94,668,716	310,367,103
(b) Capital work-in-progress	6	-	-	-
(c) Other intangible assets	7	620,541	458,344	1,078,885
(d) Financial assets				
(i) Others	8	7,449,811	-	7,449,811
(e) Other non-current assets	9	5,734,876	-	5,734,876
(2) Current assets				
(a) Inventories	10	92,837,315	-	92,837,315
(b) Financial assets				
(i) Trade receivables	11	25,316,571	-	25,316,571
(ii) Cash and cash equivalents	12	2,435,379	-	2,435,379
(iii) Bank balances other than (iii) above	13	10,655	-	10,655
(c) Other current assets	14	9,697,748	-	9,697,748
Total Assets		359,801,284	95,127,060	454,928,344
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	56,204,270	-	56,204,270
(b) Other equity	16	36,413,174	75,160,362	111,573,535
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	12,500,000	-250,000	12,250,000
(ii) Other financial liabilities	18	10,000,280	-	10,000,280
(b) Provisions	19	4,977,065	-	4,977,065
(c) Deferred tax liabilities (Net)	20	31,632,183	20,654,361	52,286,544
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	21	57,611,969	-	57,611,969
(ii) Trade payables	22	110,393,110	-	110,393,110
(iii) Other financial liabilities	23	30,645,784	-223,750	30,422,034
(b) Other current liabilities	24	8,796,392	-	8,796,392
(c) Provisions	25	627,057	-213,913	413,144
Total Equity and Liabilities		359,801,284	95,127,060	454,928,344



DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS(contd.)

Reconciliation of total comprehensive income for the year ended 31st March, 2016

Particulars	Note No.	IGAAP AS AT 31-Mar-16	Adjustment	IND-AS AS AT 31-Mar-16
I Revenue from operations	26	505,577,898	38,489,753	544,067,651
II Other income	27	1,347,276	-	1,347,276
III Total Income (I+II)		506,925,174	38,489,753	545,414,927
IV Expenses		-	-	-
Cost of materials consumed	28	231,139,131	-	231,139,131
Purchase of stock in trade		36,794,019	-	36,794,019
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	11,933,722	-	11,933,722
Employee benefits expense	30	69,671,206	(378,270)	69,292,936
Finance costs	31	18,829,893	495,000	19,324,893
Depreciation and amortisation expense	32	13,676,026	173,129	13,849,155
Excise duty	33	-	38,489,753	38,489,753
Other expenses	34	128,372,136	-	128,372,136
Total expenses (IV)		510,416,133	38,779,612	549,195,745
V Profit/ (loss) before exceptional items and tax (III- IV)		(3,490,959)	(289,859)	(3,780,818)
VI Exceptional items		-	-	-
VII Profit/ (loss) before tax (V-VI)		(3,490,959)	(289,859)	(3,780,818)
VIII Tax expense:		-	-	-
(1) Current tax (refer Note no 43)		-	-	-
(2) Deferred tax		(250,502)	(8,330,654)	(8,581,156)
(3) MAT credit entitlement		-	-	-
(4) MAT Credit Entitlement available for set off in subsequent years		(182,694)	-	(182,694)
(5) Excess provision relating to earlier years		619,070	-	619,070
Total Tax Expense (VIII)		185,874	(8,330,654)	(8,144,780)
IX Profit/ (loss) for the year (VII-VIII)		(3,676,833)	8,040,795	4,363,962
X Other Comprehensive Income		-	-	-
Items that will not be reclassified to profit and loss				
(i) Re-measurement gains (losses) on defined benefit plans		-	378,270	378,270
(ii) Income tax effect on above		-	(128,574)	(128,574)
(iii) Equity instruments through other comprehensive income		-	-	-
(iv) Income tax effect on above		-	-	-
Total Other comprehensive income		-	249,696	249,696
XI Total Comprehensive Income for the year (IX+X) (Comprising profit and other comprehensive income for the year)		(3,676,833)	8,290,491	4,613,658



DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS(contd.)

Reconciliation of total comprehensive income for the year ended 31st March, 2017

Particulars	Note No.	IGAAP AS AT 31-Mar-17	Adjustment	IND-AS AS AT 31-Mar-17
I Revenue from operations	26	497,102,412	37,974,157	535,076,569
II Other income	27	4,107,036	-	4,107,036
III Total Income (I+II)		501,209,448	37,974,157	539,183,605
IV Expenses		-	-	-
Cost of materials consumed	28	233,899,891	-	233,899,891
Purchase of stock in trade		33,266,544	-	33,266,544
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(9,118,247)	-	(9,118,247)
Employee benefits expense	30	75,692,367	(213,913)	75,478,454
Finance costs	31	15,047,753	145,000	15,192,753
Depreciation and amortisation expense	32	13,695,808	142,493	13,838,301
Excise duty	33	-	37,974,157	37,974,157
Other expenses	34	135,688,493	-	135,688,493
Total expenses (IV)		498,172,608	38,047,737	536,220,345
V Profit/ (loss) before exceptional items and tax (III- IV)		3,036,840	(73,580)	2,963,260
VI Exceptional items		-	-	-
VII Profit/ (loss) before tax (V-VI)		3,036,840	(73,580)	2,963,260
VIII Tax expense:		-	-	-
(1) Current tax (refer Note no 43)		-	-	-
(2) Deferred tax		1,537,200	(434,120)	1,103,080
(3) MAT credit entitlement		-	-	-
(4) MAT Credit Entitlement available for set off in subsequent years		-	-	-
(5) Excess provision relating to earlier years		-	-	-
Total Tax Expense (VIII)		1,537,200	(434,120)	1,103,080
IX Profit/ (loss) for the year (VII-VIII)		1,499,640	360,540	1,860,180
X Other Comprehensive Income		-	-	-
Items that will not be reclassified to profit and loss				
(i) Re-measurement gains (losses) on defined benefit plans		-	213,913	213,913
(ii) Income tax effect on above		-	(72,709)	(72,709)
(iii) Equity instruments through other comprehensive income		-	-	-
(iv) Income tax effect on above		-	-	-
Total Other comprehensive income		-	141,204	141,204
XI Total Comprehensive Income for the year (IX+X) (Comprising profit and other comprehensive income for the year)		1,499,640	501,744	2,001,384

