

Danish Steel Cluster Private Limited
Balance Sheet

Particulars	Note	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
I. ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipments	8A	244,204,424	239,171,247	243,514,757
(b) Capital work-in-progress	8B	-	1,171,693	822,000
(c) Other Intangible assets	9	1,160,634	933,441	815,988
(d) Financial Assets				
(i) Other financial assets	10	803,103	803,103	770,103
(e) Deferred tax assets (net)	11	1,798,945	1,798,945	1,798,945
(f) Non-current tax assets	12	6,101,995	5,488,144	5,445,184
(g) Other non-current assets	13	248,050	788,306	-
Total non-current assets		254,317,151	250,154,879	253,166,977
2 Current assets				
(a) Inventories	14	50,662,348	36,202,855	27,525,053
(b) Financial Assets				
(i) Trade receivables	15	106,573,014	67,784,960	35,972,292
(ii) Cash and cash equivalents	16	1,900,422	4,360,042	5,382,932
(iii) Bank balance other than (ii) above	17	1,300,000	300,000	332,039
(iv) Other financial assets	18	131,647	760,989	1,438,314
(c) Other current assets	19	7,394,097	1,292,755	886,161
Total current assets		167,961,528	110,701,601	71,536,791
TOTAL ASSETS		422,278,679	360,856,480	324,703,768
II. EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	20	70,847,030	70,847,030	70,847,030
(b) Other Equity	21	81,436,860	100,193,498	118,458,757
Total equity		152,283,890	171,040,528	189,305,787
LIABILITIES				
1 Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	90,000,000	73,400,000	22,451,430
(b) Provisions	23	1,392,172	1,480,344	1,411,393
(c) Deferred tax liabilities (net)	24	34,307,765	34,436,976	34,624,140
Total non-current liabilities		125,699,937	109,317,320	58,486,963
2 Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	25	102,384,636	73,478,980	50,355,950
(ii) Other financial liabilities	26	15,456,655	4,646,251	20,609,832
(b) Other current liabilities	27	24,670,154	1,237,694	5,758,677
(c) Provisions	28	1,783,407	1,135,707	186,559
Total current liabilities		144,294,852	80,498,632	76,911,018
Total Liabilities		269,994,789	189,815,952	135,397,981
TOTAL EQUITY AND LIABILITIES		422,278,679	360,856,480	324,703,768
See accompanying notes forming part of the financial statements				
In terms of our report attached				
For Sundar Srini & Sridhar		For and on behalf of the Board of Directors		
Chartered Accountants				
Firm Registration Number: 0042015				
S Sridhar		Sunil Deshmukh		Devidas Mali
Partner		Director		Director
Membership Number: 025504		DIN: 05210882		DIN: 01405268
Place: Chennai		Mariappa Nadar Rajamani		
Date:		Director		
		DIN: 00195006		

Danish Steel Cluster Private Limited
Statement of Profit and Loss

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
I Revenue from operations	29	281,370,434	172,044,057
II Other income	30	3,579,217	91,544
III Total Revenue (I + II)		284,949,651	172,135,601
IV Expenses			
Cost of materials consumed	31	148,892,064	83,532,226
Purchases of Stock-in-Trade		19,014,521	-
Changes in inventories of finished goods, stock in trade and work-in-progress	32	(6,238,774)	655,926
Excise duty on sale of goods		4,104,728	14,178,973
Employee benefits expense	33	62,005,130	49,312,170
Finance costs	34	10,585,342	4,877,445
Depreciation and amortization expense	8A & 9	8,250,627	7,038,365
Other operating, selling and administrative expense	35	56,810,224	31,596,281
Total expenses (IV)		303,423,862	191,191,386
V (Loss) before tax (III-IV)		(18,474,211)	(19,055,785)
VI Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(129,211)	(187,164)
VII (Loss) for the year (V - VI)		(18,345,000)	(18,868,621)
VIII Other Comprehensive Income			
A (i) Item that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		(292,536)	603,362
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Item that will be reclassified to profit or loss			
(a) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		(119,102)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
IX Total Comprehensive (Loss) for the year (VII+VIII)		(18,756,638)	(18,265,259)
X (Loss) Per Equity Share in Rs (Nominal value per share Rs. 10)	37		
(1) Basic		(2.65)	(2.58)
(2) Diluted		(2.65)	(2.58)
See accompanying notes forming part of the financial statements			
In terms of our report attached			
For Sundar Sridhar & Sridhar		For and on behalf of the Board of Directors	
Chartered Accountants			
Firm Registration Number: 004201S			
S Sridhar		Sunil Deshmukh	
Partner		Director	
Membership Number: 025504		DIN: 05210882	
		Devidas Mali	
		Director	
		DIN: 01405268	
Place: Chennai		Mariappa Nadar Rajamani	
Date:		Director	
		DIN: 00195006	

Danish Steel Cluster Private Limited
Statement of Changes in Equity for the year ended 31st March 2018

(in Rs.)

Particulars	Equity Share Capital	Other Equity			Other Comprehensive Income Effective portion of cash flow hedges	Total Equity attributable to equity holders of the Company
		Reserves and Surplus				
		Securities premium	General Reserve	Retained earnings		
Balance at April 1, 2016	70,847,030	26,163,170	3,016,920	89,278,667	-	189,305,787
(Loss) for the year	-	-	-	(18,868,621)	-	(18,868,621)
Other comprehensive income for the year, net of income tax	-	-	-	603,362	-	603,362
Balance at March 31, 2017	70,847,030	26,163,170	3,016,920	71,013,408	-	171,040,528
(Loss) for the year	-	-	-	(18,345,000)	-	(18,345,000)
Other comprehensive income for the year, net of income tax	-	-	-	292,536	(119,102)	411,638
Balance at March 31, 2018	70,847,030	26,163,170	3,016,920	52,375,872	(119,102)	152,283,890
See accompanying notes forming part of the financial statements						

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration Number: 004201S

For and on behalf of the Board of Directors

S Sridhar
Partner
Membership Number: 025504

Sunil Deshmukh
Director
DIN: 05210882

Devidas Mali
Director
DIN: 01405268

Place: Chennai
Date:

Mariappa Nadar Rajamani
Director
DIN: 00195006

Danish Steel Cluster Private Limited
Statement of Cash flows

Particulars	For the year ended 31 March	
	2018	2017
A. Cash flow from operating activities		
Net profit before tax	(18,885,849)	(18,452,423)
Adjustments for :		
Depreciation	8,250,627	7,038,365
Loss on impairment of assets	370,751	-
Loss on sale of assets	10,480	-
Allowance for doubtful receivables (expected credit loss allowance)	40,000	
Interest Income	(72,066)	(89,544)
Finance cost	10,585,342	4,877,445
	19,185,134	11,826,266
Operating profit before working capital changes	299,285	(6,626,157)
Working capital adjustments		
(Increase)/decrease in Inventories	(14,459,493)	(8,677,802)
(Increase)/decrease in Trade Receivables	(38,828,054)	(31,812,668)
(Increase)/decrease in Other Financial Assets	629,342	644,325
(Increase)/decrease in Other Non-financial Assets	(5,561,086)	(1,194,900)
Increase/(decrease) in Other Financial Liabilities	10,810,404	(2,231,850)
Increase/(decrease) in Trade Payables	28,905,656	23,123,030
Increase/(decrease) in Other Non-financial Liabilities	23,432,460	(4,520,983)
Increase/(decrease) in Provisions	559,528	1,018,099
	5,488,757	(23,652,749)
Cash (used in)/generated from operations	5,788,042	(30,278,906)
Direct taxes paid (net of refund)	(613,851)	(42,960)
Net cash flow (used in) operating activities	5,174,191	(30,321,866)
B. Cash flow from investing activities		
Purchase of fixed assets	(12,724,535)	(3,162,001)
Sale of fixed assets	4,000	-
Movement in fixed deposits	(1,000,000)	32,039
Interest received	72,066	89,544
Net cash flow (used in) investing activities	(13,648,469)	(3,040,418)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	16,600,000	73,400,000
Repayment of long-term borrowings	-	(36,183,161)
Finance cost	(10,585,342)	(4,877,445)
Net cash flow from financing activities	6,014,658	32,339,394
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(2,459,620)	(1,022,890)
Cash and cash equivalents as at the beginning of the year	4,360,042	5,382,932
Cash and cash equivalents as at the end of the year - As per Balance Sheet - Note 3	1,900,422	4,360,042
See accompanying notes forming part of the financial statements		
In terms of our report attached		
For Sundar Srini & Sridhar Chartered Accountants Firm Registration Number: 0042015	For and on behalf of the Board of Directors	
S Sridhar Partner Membership Number: 025504	Sunil Deshmukh Director DIN: 05210882	Devidas Mali Director DIN: 01405268
Place: Chennai Date:	Mariappa Nadar Rajamani Director DIN: 00195006	

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 8A
Property, Plant and Equipments

In Rs.

Description	Gross block (at cost)				Depreciation				Net Block	
	April 01, 2017	Additions	Disposal	March 31, 2018	April 01, 2017	For the Year	Disposal / Adjustments	March 31, 2018	March 31, 2018	March 31, 2017
Freehold land	170,000,000	-	-	170,000,000	-	-	-	-	170,000,000	170,000,000
Factory Building	24,939,317	5,313,738	-	30,253,055	1,138,797	1,299,233	-	2,438,030	27,815,025	23,800,520
Office Building	5,625,136	-	-	5,625,136	111,112	111,106	-	222,218	5,402,918	5,514,024
Plant and Equipment	38,054,685	1,940,025	1,498,244	38,496,466	4,109,596	4,208,823	1,199,956	7,118,463	31,378,003	33,945,089
Electrical Equipment's	-	-	-	-	-	-	-	-	-	-
Tools & Accessories	2,803,541	4,342,386	485,379	6,660,548	242,253	836,419	412,916	665,756	5,994,792	2,561,288
Computer & Accessories	958,472	288,398	-	1,246,870	389,771	448,505	-	838,276	408,594	568,701
Office Equipment	746,543	1,024,208	24,150	1,746,601	257,160	254,014	9,670	501,504	1,245,097	489,383
Furniture and Fixtures	913,378	62,500	-	975,878	166,109	167,087	-	333,196	642,682	747,269
Vehicles	1,772,725	-	-	1,772,725	227,752	227,660	-	455,412	1,317,313	1,544,973
	245,813,797	12,971,255	2,007,773	256,777,279	6,642,550	7,552,847	1,622,542	12,572,855	244,204,424	239,171,247

Description	Gross block (at cost)				Depreciation				Net Block	
	April 01, 2016	Additions	Disposal	March 31, 2017	April 01, 2016 (Refer Note Below)	For the Year	Disposal / Adjustments	March 31, 2017	March 31, 2017	April 01, 2016
Freehold land	170,000,000	-	-	170,000,000	-	-	-	-	170,000,000	170,000,000
Factory Building	23,719,442	1,219,875	-	24,939,317	-	1,138,797	-	1,138,797	23,800,520	23,719,442
Office Building	5,625,136	-	-	5,625,136	-	111,112	-	111,112	5,514,024	5,625,136
Plant and Equipment	37,219,849	834,836	-	38,054,685	-	4,109,596	-	4,109,596	33,945,089	37,219,849
Electrical Equipment's	-	-	-	-	-	-	-	-	-	-
Tools & Accessories	2,741,419	62,122	-	2,803,541	-	242,253	-	242,253	2,561,288	2,741,419
Computer & Accessories	828,500	129,972	-	958,472	-	389,771	-	389,771	568,701	828,500
Office Equipment	694,308	52,235	-	746,543	-	257,160	-	257,160	489,383	694,308
Furniture and Fixtures	913,378	-	-	913,378	-	166,109	-	166,109	747,269	913,378
Vehicles	1,772,725	-	-	1,772,725	-	227,752	-	227,752	1,544,973	1,772,725
	243,514,757	2,299,040	-	245,813,797	-	6,642,550	-	6,642,550	239,171,247	243,514,757

The Company has elected the fair value of PPE as at April 01, 2016 (the transition date) as deemed cost and has accordingly disclosed the same as above

Note 8B**Capital work in progress**

In Rs.

Description	April 01, 2017	Addition during the year	Capitalised during the year	March 31, 2018
Buildings	1,171,693	4,142,048	5,313,741	-
	1,171,693	4,142,048	5,313,741	-

Description	April 01, 2016	Addition during the year	Capitalised during the year	March 31, 2017
Buildings	822,000	349,693	-	1,171,693
	822,000	349,693	-	1,171,693

Note 9
Other Intangible assets

In Rs.

Description	Gross block (at cost)				Amortisation				Net Block	
	April 01, 2017	Additions	Disposal	March 31, 2018	April 01, 2017	For the Year	Disposal / Adjustments	March 31, 2018	March 31, 2018	March 31, 2017
Computer software (acquired)	1,576,060	924,973	-	2,501,033	642,619	697,780	-	1,340,399	1,160,634	933,441
	1,576,060	924,973	-	2,501,033	642,619	697,780	-	1,340,399	1,160,634	933,441

Description	Gross block (at cost)				Amortisation				Net Block	
	April 01, 2016	Additions	Disposal	March 31, 2017	April 01, 2016 (Refer Note Below)	For the Year	Disposal / Adjustments	March 31, 2017	March 31, 2017	March 31, 2016
Computer software (acquired)	815,988	513,268	-	1,329,256	-	395,815	-	395,815	933,441	815,988
	815,988	513,268	-	1,329,256	-	395,815	-	395,815	933,441	815,988

The Company has elected the fair value of intangibles as at April 01, 2016 (the transition date) as deemed cost and has accordingly disclosed the same as above

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 10

Non-current financial assets - Others

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Unsecured and considered good			
Security deposits	803,103	803,103	770,103
	803,103	803,103	770,103

Note 11

Deferred tax assets

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Unutilized tax credits (refer note below)	1,798,945	1,798,945	1,798,945
	1,798,945	1,798,945	1,798,945

Note - These will expire in various years upto 2019-20

Note 12

Non current tax assets

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Income tax receivable (net of provisions)	6,101,995	5,488,144	5,445,184
	6,101,995	5,488,144	5,445,184

Note 13

Other Non-current assets

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Advance for capital goods	248,050	788,306	-
	248,050	788,306	-

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 14
Inventories

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Raw materials [Net of provisions for obsolescence - Rs. 21,00,000 (PY 2017 - Rs. Nil; PY 2016 - Rs. Nil)]	38,539,412	30,318,693	20,984,965
Stock-in-trade	-	-	-
Work-in-progress	12,122,936	5,884,162	6,540,088
	50,662,348	36,202,855	27,525,053

Note 15

Current Financial Assets - Trade receivables (Unsecured)

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Considered good	106,613,014	67,784,960	35,972,292
Doubtful	1,250,000	1,250,000	44,671,921
Less - Allowance for doubtful receivables including expected credit loss	(1,290,000)	(1,250,000)	(44,671,921)
	106,573,014	67,784,960	35,972,292

Trade receivables are generally due between 30 to 90 days. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references, etc. The credit limit and credit period are reviewed regularly at periodic intervals.

Some trade receivables may be past due over the credit period, however within 365 days, no impairment loss is recognised considering the certainty of realisation.

Note 16

Cash and cash equivalents

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Balance with banks			
- Current accounts	1,660,978	3,834,067	4,686,074
- Deposit accounts	220,000	500,000	-
Cash on hand	19,444	25,975	26,141
Debit balance in bank overdraft	-	-	670,717
	1,900,422	4,360,042	5,382,932

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 17

Bank balances other than above

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Balances held as margin money against guarantees and forward contracts	1,300,000	300,000	332,039
	1,300,000	300,000	332,039

Note 18

Current Financial Assets - Others

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Unsecured and considered good			
Interest accrued on deposits	55,735	-	-
Other advances	75,912	760,989	1,438,314
	131,647	760,989	1,438,314

Note 19

Other current assets

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Unsecured and considered good			
Advance to suppliers	2,939,858	-	-
Duties and taxes receivable	2,030,991	-	-
Prepaid expenses	2,372,568	1,292,755	886,161
Others	50,680	-	-
	7,394,097	1,292,755	886,161

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 21

Other equity

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Securities premium	26,163,170	26,163,170	26,163,170
General reserve	3,016,920	3,016,920	3,016,920
Cash flow hedge reserve	(119,102)	-	-
Retained earnings	52,375,872	71,013,408	89,278,667
	81,436,860	100,193,498	118,458,757

Note 22

Non-current financial liabilities - Borrowings

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Secured			
From financial institution			
Term loans (Refer note below)	-	-	1,157,715
From others			
External commercial borrowings (Refer note below)	-	-	35,025,446
Unsecured			
Loan from holding company (Refer note below)	90,000,000	73,400,000	-
Less: Current maturities of long term debt disclosed under 'Other current liabilities'	-	-	(13,731,731)
	90,000,000	73,400,000	22,451,430

Note 23

Non-current Provisions

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Provision for employee benefits			
Compensated absences	1,392,172	1,480,344	1,411,393
	1,392,172	1,480,344	1,411,393

Note 24

Deferred tax liabilities

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Deferred tax liabilities (on Property, Plant and Equipment)	34,307,765	34,436,976	34,624,140
	34,307,765	34,436,976	34,624,140

Note - No deferred tax assets are recognised on the carry forward losses and unabsorbed depreciation, in the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 25

Current financial liabilities - Trade payable

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Dues to Micro, Small and Medium Enterprises	-	-	-
Dues to enterprises other than Micro, Small and Medium Enterprises	102,384,636	73,478,980	50,355,950
	102,384,636	73,478,980	50,355,950

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Note 26

Current financial liabilities - Others

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Current maturities of long term debt	-	-	13,731,731
Interest accrued but not due on borrowings/advances	4,891,666	3,580,964	-
Interest accrued and due on borrowings/advances	7,605,000	-	483,193
Employee related liabilities	2,197,225	1,058,523	6,394,908
Capital creditors	643,662	-	-
Derivatives designated in hedging relationships	119,102	-	-
Others	-	6,764	-
	15,456,655	4,646,251	20,609,832

Note 27

Other current liabilities

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Advance from customers	18,252,876	-	2,607,203
Statutory liabilities	6,417,278	1,237,694	3,151,474
	24,670,154	1,237,694	5,758,677

Note 28

Current Provisions

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Provision for employee benefits			
Compensated absences	223,551	180,298	186,559
Others including post retirement benefits	1,559,856	955,409	-
	1,783,407	1,135,707	186,559

Description	Terms of repayment & Nature of Security	Rate of interest	As At 31	As At 31	As At 01
			March 2018	March 2017	April 2016
A. Term loans from Financial institutions	<p>Repayment structure Repayment in 60 equal monthly instalments of ` 25,224</p> <p>Security Secured against hypothecation of vehicle purchased</p>	10%p.a	-	-	1,157,715
B. Term loans from Others	<p>Repayment structure Repayment in equal instalments of EUR 64,631 commencing from June 2016 to December 2018.</p> <p>Security a) First charge on hypothecation of Plant & Machinery of the Company b) Second charge on stocks and receivables c) Pari-passu charge by way of equitable mortgage on factory land and building.</p>	6-month LIBOR plus 3%	-	-	29,444,591
(i) External Commercial Borrowings I					
(ii) External Commercial Borrowings II	<p>Repayment structure Repayment in equal instalments of EUR 24,500 commencing from June 2016 to June 2017.</p> <p>Security a) First charge on hypothecation of Plant & Machinery of the Company b) Second charge on stocks and receivables c) Pari-passu charge by way of equitable mortgage on factory land and building.</p>	6-month LIBOR plus 1.5%	-	-	5,580,855
C. Loans from holding company	<p>Repayment structure The Company is at liberty to repay part/full loan amount within expiry of 3 year period. The lender may, at its discretion, extend the time for repayment to the borrower beyond 3 years, at the request of the borrower.</p> <p>Security Pari-passu charge by way of equitable mortgage on factory land and building.</p>	12% p.a	90,000,000	73,400,000	-

Note on default



Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

(in Rs.)

Note 37
Earnings per Share

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Basic (Loss) per share (in Rs.)	(2.65)	(2.58)
Diluted (Loss) per share (in Rs.)	(2.65)	(2.58)
37.1 Basic Earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.		
(Loss) after Taxation	(18,756,638)	(18,265,259)
(Loss) used in the calculation of basic earnings per share	(18,756,638)	(18,265,259)
Number of equity shares of Rs. 10 each outstanding at the beginning of the year	7,084,703	7,084,703
Add : Number of shares issued during the year	-	-
(a) Number of equity Shares of Rs. 10 each outstanding at the end of the year	7,084,703	7,084,703
(b) Weighted Average number of Equity Shares	7,084,703	7,084,703
37.2 Diluted Earnings per share		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.		
(Loss) used in the calculation of basic earnings per share	(18,756,638)	(18,265,259)
Adjustments	-	-
(Loss) used in the calculation of diluted earnings per share	(18,756,638)	(18,265,259)
The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of basic earnings per share	7,084,703	7,084,703
Shares deemed to be issued for no consideration in respect of - employee options	-	-
Weighted average number of equity shares used in the calculation of diluted earnings per share	7,084,703	7,084,703

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No of shares	In Rs	No of shares	In Rs	No of shares	In Rs
Note 20 Equity Share Capital						
Authorised: Equity Shares of Rs. 10/- each	10,000,000	100,000,000	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed And Fully Paid Up Equity Shares of Rs. 10/- each	7,084,703	70,847,030	7,084,703	70,847,030	7,084,703	70,847,030
	7,084,703	70,847,030	7,084,703	70,847,030	7,084,703	70,847,030

20.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Reconciliation	2017-18		2016-17	
	No of Shares	In Rs	No of Shares	In Rs
Equity Shares of Rs. 10 each fully paid up				
At the beginning of the year	7,084,703	70,847,030	7,084,703	70,847,030
Issued during the year	-	-	-	-
At the end of the year	7,084,703	70,847,030	7,084,703	70,847,030

The Company has only one class of equity shares having par value of Rs.10/- each.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholding meeting, is entitled to vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

For the year ended 31.03.2018, the Board of Directors have not proposed any dividend (During the year ended 31.03.17, the Company did not declare any dividend).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

20.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Shareholder	No of shares held					
	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	%	Nos.	%	Nos.	%
Sicagen India Limited*	7,084,703	100.00%	4,250,823	60.00%	-	-
DSC Denmark Holding ApS	-	-	2,832,789	39.98%	7,083,612	99.98%

* 1091 shares are held in the name of nominee share holder

No shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

The Company has not allocated any fully paid up equity shares by way of bonus shares, pursuant to contracts without payment received in cash nor has bought back any class of equity shares during the period of five years immediately preceding the Balance Sheet.

There are no securities convertible into equity/preference shares issued at the Balance Sheet date.

Danish Steel Cluster Private Limited
Notes Forming Part Of The Financial Statements

Note 29
Revenue From Operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products (Including Excise duty)		
Traded Goods	19,036,420	-
Manufactured Goods	252,782,253	167,617,602
Sale of services	7,483,906	2,697,111
Other operating revenues	2,067,855	1,729,344
	281,370,434	172,044,057

Note 30
Other Income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest Income	72,066	89,544
Recovery of bad debts	640,052	-
Claims recovered	2,664,934	-
Gain on Foreign Exchange Fluctuation	121,171	-
Others	80,994	2,000
	3,579,217	91,544

Note 31
Cost of Raw Materials Consumed

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the beginning of the year	30,318,693	20,984,965
Add: Purchases	159,212,783	92,865,954
Less: Inventory at the end of the year	40,639,412	30,318,693
	148,892,064	83,532,226

Note 32
Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the end of the year		
WIP	12,122,936	5,884,162
	12,122,936	5,884,162
Inventory at the beginning of the year		
WIP	5,884,162	6,540,088
	5,884,162	6,540,088
	(6,238,774)	655,926

Note 33
Employee benefit expense

Particulars	For the year	For the year
	ended 31 March 2018	ended 31 March 2017
Salaries, wages and bonus	48,139,943	40,427,125
Contribution to provident fund and others	4,058,242	3,452,860
Staff welfare expense	9,806,945	5,432,185
	62,005,130	49,312,170

Note 34
Finance Cost

Particulars	For the year	For the year
	ended 31 March 2018	ended 31 March 2017
Interest on borrowings	10,304,220	4,495,077
Other borrowing cost	281,122	382,368
	10,585,342	4,877,445

Note 35
Other operating, selling and administrative expense

Particulars	For the year	For the year
	ended 31 March 2018	ended 31 March 2017
Job work charges	16,540,296	6,092,579
Power & Fuel	5,263,222	3,803,605
Other sub-contract costs	8,895,317	3,924,416
Rent	1,189,738	-
Freight & Forwarding charges	6,326,915	2,739,617
Repairs & maintenance		
Plant & Machinery	3,053,526	2,026,027
Building	1,193,828	227,029
Others	939,036	1,027,961
Rates & Taxes	1,428,145	1,606,887
Insurance	319,260	972,256
Office expenses	1,961,174	1,486,489
Travelling & Conveyance	2,011,549	2,633,905
Legal & Professional Fees	2,503,678	1,792,424
Payment to Auditors	400,000	325,000
Provision for slow and non-moving inventories	2,100,000	-
Claims and damages	441,064	834,392
Loss on Foreign Exchange Fluctuation	-	764,366
Loss on impairment of financial assets	40,000	-
Loss on impairment of non-financial assets	370,751	-
Others	1,832,725	1,339,328
	56,810,224	31,596,281

Note No 36: Earnings per equity share (EPS)

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

Particulars	31-Mar-18	31-Mar-17
Profit attributable to equity holders (In Rs.)	(18,756,638)	(18,265,259)
Weighted average number of equity shares	7,084,703	7,084,703
Earnings/(Loss) per equity share:		
Basic (in Rs.)	(2.65)	(2.58)
Diluted (in Rs.)	(2.65)	(2.58)

Note No 37: Tax Expense

Particulars	31-Mar-18	31-Mar-17
Tax Expenses		
Current Tax (including earlier years)	-	-
Minimum alternate credit entitlement (including earlier years)	-	-
Deferred tax charge / (credit)	(129,211)	(187,164)
Income tax expense reported in the statement of profit or loss	(129,211)	(187,164)

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.75% (30.90%) and the reported tax expense in the statement of profit or loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax	(18,474,211)	(19,055,785)
Accounting profit before income tax	(18,474,211)	(19,055,785)
At statutory income tax rate of 30.90% (31 March 2017: 30.90%)	(4,757,109)	(5,888,238)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non - Deductible Expenses	2,060	34,044
Tax - Exempt Income	-	-
Change in recognised deductible temporary differences	169,556	(14,514,251)
Tax impact of unrecognised deferred tax on unabsorbed losses	4,456,282	20,181,280
Other Adjustments	-	-
Income tax expense	(129,211)	(187,164)

Note No: 38 Employee Benefits**a) Defined Contribution plans:**

Contribution to Defined contribution plans, recognised as expense for the year are as under

Particulars	31-Mar-18	31-Mar-17
	in Rs.	
Employers' Contribution to Provident Fund	2,459,586	2,196,849
Employers' Contribution to ESIC	296,629	297,240

b) Defined Benefit plans:

The Company has the following Defined Benefit Plans:

- (i) Gratuity (Funded)
- (ii) Compensated absences (Unfunded)

Contribution to Gratuity Fund**(i) Change in present value of defined benefit obligation**

Particulars	31-Mar-18	31-Mar-17
	in Rs.	
Present value of defined benefit obligation at the beginning of the year	4,098,684	4,061,341
Interest cost	307,401	324,907
Current service cost	735,275	588,250
Benefits paid	(161,539)	(318,066)
Actuarial (gain)/loss on obligation (changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions)	495,378	(557,748)
Present value of defined benefit obligation at the end of the year	5,475,199	4,098,684

(ii) Amount recognised in the Balance Sheet

Particulars	31-Mar-18	31-Mar-17
	in Rs.	
Present value of defined benefit obligation at the end of the year	5,475,199	4,098,684
Fair Value of plan assets as at the end of the year	3,915,343	3,143,275
Net obligation as at the end of the year	1,559,856	955,409

(iii) Net Gratuity cost for the year ended

Particulars	31-Mar-18	31-Mar-17
	in Rs.	
Recognised in Statement of Profit and Loss		
Services Cost	735,275	588,250
Interest Cost	307,401	324,907
Expected Return on plan assets	(235,746)	(204,313)
Total	806,930	708,844
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions	571,069	(353,435)
Gratuity Cost in Total Comprehensive Income	1,377,999	355,409

(iv) For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity	
	31-Mar-18	31-Mar-17
Discount rate	7.50%	7.00%
Expected Rate of return	7.50%	7.00%
Salary escalation rate	7.00%	10.00%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Compensated Absences**(i) Change in present value of defined benefit obligation**

Particulars	31-Mar-18 in Rs.	31-Mar-17 in Rs.
Present value of defined benefit obligation at the beginning of the year	1,660,642	1,597,952
Interest cost	124,548	111,857
Current service cost	250,355	282,477
Benefits paid	(141,289)	(81,717)
Actuarial (gain)/loss on obligation (changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions)	(278,533)	(249,927)
Present value of defined benefit obligation at the end of the year	1,615,723	1,660,642

(ii) Amount recognised in the Balance Sheet

Particulars	31-Mar-18 in Rs.	31-Mar-17 in Rs.
Present value of defined benefit obligation at the end of the year	1,615,723	1,660,642
Fair Value of plan assets as at the end of the year	-	-
Net obligation as at the end of the year	1,615,723	1,660,642

(iii) Net Compensated Absence Cost for the year ended

Particulars	31-Mar-18 in Rs.	31-Mar-17 in Rs.
Recognised in Statement of Profit and Loss		
Services Cost	250,355	282,477
Interest Cost	124,548	111,857
Total	374,903	394,334
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions	(278,533)	(249,927)
Compensated absence in Total Comprehensive Income	96,370	144,407

(iv) For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Compensated Absence	
	31-Mar-18	31-Mar-17
Discount rate	7.50%	7.00%
Salary escalation rate	7.00%	10.00%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

c) These plans typically expose the Company to actuarial risks such as: investment risk, longevity risk and salary risk.**Investment risk**

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note No: 39 Financial Instruments - Fair Values and Risk Management

a) Accounting Classification and Fair Values

The following table shows the financial assets and financial liabilities by category and Management considers that carrying amounts of financial assets and financial liabilities recognised in the financial statements at amortised cost represent the best estimate of fair value:

31-Mar-18	Carrying Amount in Rs.			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Non-Current				
(i) Other financial assets	-	-	803,103	803,103
Current				
(i) Trade receivables	-	-	106,573,014	106,573,014
(ii) Cash and cash equivalents	-	-	1,900,422	1,900,422
(iii) Bank balance other than (ii) above	-	-	1,300,000	1,300,000
(iv) Other financial assets	-	-	131,647	131,647
Financial Liabilities				
Non-Current				
(i) Borrowings	-	-	90,000,000	90,000,000
Current				
(i) Trade payables	-	-	102,384,636	102,384,636
(ii) Other financial liabilities	-	-	15,456,655	15,456,655

31-Mar-17	Carrying Amount in Rs.			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Non-Current				
(i) Other financial assets	-	-	803,103	803,103
Current				
(i) Trade receivables	-	-	67,784,960	67,784,960
(ii) Cash and cash equivalents	-	-	4,360,042	4,360,042
(iii) Bank balance other than (ii) above	-	-	300,000	300,000
(iv) Others	-	-	760,989	760,989
Financial Liabilities				
Non-Current				
(i) Borrowings	-	-	73,400,000	73,400,000
Current				
(i) Trade payables	-	-	73,478,980	73,478,980
(ii) Other financial liabilities	-	-	4,646,251	4,646,251

31-Mar-16	Carrying Amount in Rs.			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Non-Current				
(i) Other financial assets	-	-	770,103	770,103
Current				
(i) Trade receivables	-	-	35,972,292	35,972,292
(ii) Cash and cash equivalents	-	-	5,382,932	5,382,932
(iii) Bank balance other than (ii) above	-	-	332,039	332,039
(iv) Others	-	-	1,438,314	1,438,314
Financial Liabilities				
Non-Current				
(i) Borrowings	-	-	22,451,430	22,451,430
Current				
(i) Trade payables	-	-	50,355,950	50,355,950
(ii) Other financial liabilities	-	-	20,609,832	20,609,832

b) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including security deposits given for business purpose, loans to employees and other financial instruments.

Credit risk management

(a) Trade Receivables

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In respect of trade receivables, the Company's customer profile include public sector enterprises and large private corporates. Accordingly, the Company's customer credit risk is low. However, the company recognises a provision for lifetime expected credit loss. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

(b) Others

The credit risk on cash and bank balance is limited because the counterparties are banks with high credit ratings

(B) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has necessary support from the parent company.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below summarises the maturity profile remaining contractual maturity period at the balance sheet date for its financial liabilities based on the undiscounted cash flows.

		(in Rs.)			
	31-Mar-18	Due in 1st Year	Due in 2nd Year to 5th Year	Due after 5th year	Carrying Amount
Trade Payables		102,384,636	-	-	102,384,636
Other Financial Liabilities		15,456,655	-	-	15,456,655
Borrowings		-	90,000,000	-	90,000,000
		117,841,291	90,000,000	-	207,841,291

	31-Mar-17	Due in 1st Year	Due in 2nd Year to 5th Year	Due after 5th year	Carrying Amount
Trade Payables		73,478,980	-	-	73,478,980
Other Financial Liabilities		4,646,251	-	-	4,646,251
Borrowings		-	73,400,000	-	73,400,000
		78,125,231	73,400,000	-	151,525,231

	1-Apr-16	Due in 1st Year	Due in 2nd Year to 5th Year	Due after 5th year	Carrying Amount
Trade Payables		50,355,950	-	-	50,355,950
Other Financial Liabilities		20,609,832	-	-	20,609,832
Borrowings		13,731,731	22,451,430	-	36,183,161
		84,697,513	22,451,430	-	107,148,943

(C) Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

(1) Foreign currency risk management:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by the Management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows

	As at	Currency	Gross Exposure	Exposure hedged using derivatives	Net Exposure
	31-Mar-18				
Assets		DKK	685,478	685,478	-
Assets		EURO	38,446	-	38,446
Liabilities		NA	-	-	-
	31-Mar-17				
Assets		DKK	659,688	-	659,688
Assets		EURO	52,083	-	52,083
Liabilities		EURO	21,025	-	21,025
	1-Apr-16				
Assets		USD	20,836	-	20,836
Liabilities		DKK	255,608	-	255,608
Liabilities		EURO	16,284	-	16,284
Liabilities		EURO	461,286	-	461,286

(2) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. The borrowings on a variable rate of interest are subject to interest rate risk as defined in Ind AS 107. The Company at the end of March 2017 and March 2018, does not carry any loans with variable interest.

Classification of borrowings by nature of interest rate

Particulars	As At 31 March 2018	As At 31 March 2017	As At 01 April 2016
Borrowings at variable interest rate			
Non-current	-	-	21,293,715
Current	-	-	13,731,731
Borrowings at fixed interest rate			
Non-current	90,000,000	73,400,000	1,157,715
	90,000,000	73,400,000	36,183,161

Note No. 40 Capital Management

The Company's objectives when managing capital are:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios-

Debt Equity Ratio

	(in Rs.)		
	31-Mar-18	31-Mar-17	1-Apr-16
Net Debt*	88,099,578	69,039,958	30,800,229
Total Equity	152,283,890	171,040,528	189,305,787
Net Debt to Equity Ratio	0.58	0.40	0.16

* Net debt includes long term borrowings + short term borrowings + current maturity of long-term borrowings net off cash and cash equivalents (including fixed deposits).

Note No. 42 Contingent Liabilities and commitments**a) Contingent Liabilities****Matters**

	(in Rs.)		
	31-Mar-18	31-Mar-17	1-Apr-16

I) Claims against Company not acknowledged as Debts:

(i) Claims under Income Tax Act, 1961	264,610	264,610	264,610
(ii) Other Claims	-	-	-

Matters**II) Guarantees:**

(i) Guarantees given by Bank, counter guaranteed by the Company	284,504	284,504	-
III) Other Money for which the Company is contingently liable	-	-	-

b) Commitments

	(in Rs.)		
	31-Mar-18	31-Mar-17	1-Apr-16

I) Capital Commitments	-	1,546,001	-
II) Other Commitments	-	-	-

Note No. 43 Dues to Micro and Small Enterprise

Disclosure of trade payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act, 2006". There is no amount over due to Micro & Small enterprises on account of principal amount together with interest.

Particulars	(in Rs.)		
	31-Mar-18	31-Mar-17	1-Apr-16
I) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil	Nil
II) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil
III) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil	Nil
IV) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
V) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	Nil	Nil	Nil

Note No. 44 Information Regarding Imports (c.i.f)

(in Rs.)

Particulars	31-Mar-18	31-Mar-17
Raw Materials	12,370,046	9,753,088
Consumables	3,227,709	399,203
Capital Items	100,602	-
Total	15,698,357	10,152,291

Note No. 45 Earnings in foreign currency

(in Rs.)

Particulars	31-Mar-18	31-Mar-17
Export of Goods - FOB value	38,454,406	35,036,395
	38,454,406	35,036,395

Note No. 46 Expenditure incurred in foreign currency

(in Rs.)

Particulars	31-Mar-18	31-Mar-17
Job Work	-	90,752
Interest	-	458,385
Total	-	549,137

Note No. 47 Auditors Remuneration

(in Rs.)

Particulars	31-Mar-18	31-Mar-17
For Statutory Audit including limited reviews	350,000	375,000
For Tax Audit	50,000	75,000
For other Services	25,000	222,550
Total	425,000	672,550

The above amounts are net off applicable service tax / GST

Note No. 48 Segment Reporting

A. General Information

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Company has only one reportable segment namely Manufacture of Customised Steel parts & Sheet metal components. The Chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Information about products and services

The Company has revenue from external customer to the extent Rs. 28,13,70,434 (Rs. 17,20,44,057)

C. Information about Geographical Areas

The geographic information analyses the Company's revenue and Non-Current Assets by the Company's country of domicile and other countries. In presenting the geographical information, revenue in the disclosure below is based on the location of the customers and the Non-Current Assets in the disclosure below are based on the location of the respective Non-Current Assets.

The revenue from India is Rs. 24,29,16,028 and from outside India is Rs. 3,84,54,406 (PY Rs. 13,70,07,662 and Rs. 3,50,36,395 respectively) and the Non-Current Assets other than deferred tax assets from India are Rs. 25,25,18,206 (PY 2017 Rs. 24,83,55,934; PY 2016 Rs. 25,13,68,032) and from outside India are Rs. Nil (Previous Year 2017; 2016; Rs. Nil)

D. Information about major customers

More than ten percent revenues are from four customers of the Company.

Note No. 49 First Time Ind AS Adoption Reconciliation**a. Reconciliation of total equity as at March 31, 2017 and April 1, 2016**

Particulars	(in Rs.)	
	As at 31-Mar-17	As at 1-Apr-16
Equity (shareholders' fund) under previous GAAP	47,651,373	62,540,235
Adjustments:		
Fair valuation as deemed cost for Property, Plant and Equipment	161,389,692	161,389,692
Deferred Tax	(34,436,976)	(34,624,140)
Prior Period Adjustment	(3,580,964)	-
Depreciation Adjustment	17,403	-
Equity (shareholders' fund) as per Ind AS	171,040,528	189,305,787

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

Particulars	(in Rs.)	
	Year ended 31-Mar-17	
Net Profit as reported under previous GAAP	(14,888,862)	
Employee benefit expenses [Actuarial gain]	(227,127)	
Depreciation adjustment	17,403	
Prior Period Adjustment - Interest on borrowings	(3,580,964)	
Tax impact on fair valuation of PPE as deemed cost	187,164	
Net Profit as per Ind AS (A)	(18,492,386)	
Other comprehensive income: Actuarial gain on defined benefit obligation (net of tax expenses) (B)	227,127	
Total comprehensive income (A+B)	(18,265,259)	

NOTES TO FIRST TIME IND AS ADOPTION RECONCILIATION :**Items relating to total equity and Other comprehensive income****(a) Impact of Fair valuation as deemed cost for Property, Plant and Equipment**

Under I GAAP, the property plant and equipment is carried at cost less accumulated depreciation and amortisation. Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. Entire classes of PPE have been fair valued as on date of transition. The resulting impact of fair valuation is reflected in the reserves.

(b) Defined Benefit Liabilities

Both under Indian GAAP and Ind AS, the Company has recognised costs related to its postemployment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI

(c) Deferred tax

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

(d) Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP loss to loss as per Ind AS. Further, Indian GAAP loss is reconciled to total comprehensive income as per Ind AS.

50. In the opinion of the Board of Directors, all current and non-current assets including non-current loans, appearing in the balance sheet as at 31 March 2018, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements.

Danish Steel Cluster Private Limited		
Groupings to Balance Sheet		
(In Rs.)		
S No	Particulars	As at 31st March 2018
	Statutory dues	
	CGST PAYABLE	22
	IGST PAYABLE	5,451,736
	RCM CGST PAYABLE	83,516
	RCM SGST PAYABLE	83,516
	TCS on Sales @ 1%	-
	TDS- Contractors	240,765
	Tds on Audit Fee Payable	25,000
	TDS on Interest	278,650
	Tds on Internal Audit Fee Payable	15,000
	TDS-Professionals	32,651
	TDS - Salaries	51,282
	TDS-Rent	155,140
	VAT	-
	Provision for Rcm Receivable	-
		6,417,278
	Duties & Taxes receivable	
	Cenvat Credit	64
	Cenvat Credit	-
	RCM CGST	83,516
	RCM SGST	83,516
	SGST PAYABLE	1,643,000
	VAT Refund Receivable	220,895
	RCM Receivable A/c	-
		2,030,991
	Payable for purchase of materials and services	
	Sundry Creditors - Bought Out	5,332,883
	Sundry Creditors - Consumables	4,455,660
	Sundry Creditors - Freight	5,003,898
	Sicagen India Limited	12,819,955
	Sicagen India Limited -Expenses	41,948,233
	Sundry Creditors - Job Work	8,240,464
	Sundry Creditors - Maintenance	837,435
	Sundry Creditors - Others	5,308,142
	Sundry Creditors - Packing	2,692,058
	Sundry Creditors - Raw Materials	9,650,225
	Sundry Creditors - Testing Lab	128,043
	Sundry Creditors Foreign currency effect	85,979
	Provision for Expenses	2,434,004
	Audit Fee Payable	250,000
	Provision for Purchase	2,971,565
	Internal Audit Fee Payable	150,000
	Advance for capital goods	248,050
		102,384,636
	Capital creditors	
	Sundry Creditors - Capital Goods	139,287
	Sundry Creditor Retention A/c	504,375
		643,662
	Employee related liabilities	
	Salary Payable	55,947
	Statutory Payments -Salary	-
	E P F Payable	400,974
	ESI Payable	39,722
	Incentive Payable	362,500
	P T Payable	22,600
	Bonus Payable	1,315,482
		2,197,225
	Advances to Employees	
	Salary Advance	59,912
	Salary Advance A/c	16,000
		75,912

Trade receivable	
ABB India Limited	236,228
Alstom Transport India Limited (Chittor)	10,795,247
Alstom Transport India Ltd	19,027,800
AMS Enterprises	15,841
Bharat Heavy Electicals Ltd	49,370,808
Biesse Manufacturing Com Pvt Ltd	-
Crystal Engineering Systems (P) Ltd	3,540
Faiveley Transport Rail Technologies India Limited	221,111
Glastronix LLP	17,693
GP Covers	510,535
GRAMRODE MOBELFABRIK A/S	6,412,788
Hydratech Industries India Pvt Ltd	153,360
Kosan Crisplant Lanka (Pvt) Ltd	4,993
LM WINDPOWER BLADES(INDIA)PVT.LTD	788,384
LM WIND POWER BLADES (INDIA) PVT LTD GUJARAT	10,478,546
Madhepura Electric Locomotive Private Limited	72,100
Medha Servo Drives Pvt Ltd	890,231
Parker Hannifin India Pvt Limited	49,940
SAMUDHRA INDUSTRIES	301,644
S.Drs Foreign exchange effect	451,915
S.Drs Forward cover	440,078
Trelleborg Industrial Products India	273,707
Veer - O - Metals Pvt Ltd	48,935
	99,685,268
Advance from customers	
Sicagen India Limited - Trade Advance	11,300,000
LM WIND POWER BLADES (INDIA) PVT LTD GUJARAT	3,236,725
Alstom Transport India Ltd	3,691,021
Biesse Manufacturing Com Pvt Ltd	25,130
	18,252,876
Advance to suppliers	
Sundry Creditors-Raw Materail Imports	2,629,500
Sundry Creditors - Testing Lab	18,691
Arunodaya Industries-Dr	291,667
	2,939,858
Bank balances	
Current accounts	
Axis Bank CC A/c 911020053234471	1,480,123
Axis Bank New 915020034588890	114,724
HSBC A/c No 073-065856-001	528
Sbi A/c No	65,603
	1,660,978
Balances held as margin	
FD A/C 917040084318047	1,000,000
Bank Guarantee for Customs	300,000
	1,300,000
Income tax assets	
Income Tax Previous Year	3,772,845
Income Tax Refund 2014-15	1,172,166
TDS Receiveable-2015-16	500,173
TDS Receiveable-2016-17	23,713
TDS Receiveable-2017-18	633,098
	6,101,995

Danish Steel Cluster Private Limited
Groupings to Profit and Loss

(In Rs.)

S No	Particulars	For the year ended 31st March 2018
	Sales Income	
	Inter State Sales	19,038,484
	Local Sales	17,281,445
	Export Sales	7,507,145
	GST EXPORT SALES	30,947,261
	GST INTER STATE SALES	120,071,327
	GST LOCAL SALES	73,235,963
	Sales forward cover	248,680
	Quality Issue Charges	119,000
	Add:	
	Excise duty	4,104,728
		271,818,673
	Service Income	
	GST SERVICE SALES	3,405,515
	Service Charges Collected A/c	4,078,391
		7,483,906
	Other operating revenue	
	GST SCRAP SALES	1,510,238
	Packing Charges	127,759
	CBEC	128,506
	Scrap Sales	301,352
		2,067,855
	Interest Income	
	Interest Earned	26,755
	Interest on FD	45,311
		72,066
	Purchases	
	Purchase -Consumables Local	13,464,546
	Purchase - Raw Material	21,953,208
	Gst Purchase B & K J	23,446,581
	Gst Purchase Consumables	6,404,987
	Gst Purchase Packing Material	5,810,434
	Gst Purchase Rawmaterial	66,846,964
	AMOGH TECHNOLOGIES	372
	Bills to Be Accounted	4,184,770
	Cash Purchase	100
	CST on Purchase (DTA)	409,672
	Customs Duty on Purchase	1,130,548
	Freight on Purchase	1,794,473
	Freight on Purchase 5%	94,599
	GGC CST ON PURCHASE	414,860
	GGC PURCHASE 2%	18,599,661
	GST INSTER STATE PURCHASE 28%	101,730
	GST INTER STATE PURCHASE	6,195,920
	GST LOCAL CONSUMABLE PURCHASE	848,243
	INTER STATE GST PURCHASE 5%	2,400
	Int State Gst Purchase 18%	1,350,280
	Local Gst Purchase 28%	19,500
	Local Gst Purchase 5%	2,650
	Other Expenses - Purchase	89,244
	Packing Charges on Purchase	162,116
	PURCHASE RETURN	4,515,319
	Purchase Consumables Import	690,908
	GST IMPORT PURCHASE	2,428,864
	Gst Import Purchase Boughtout	1,879,180
	Clearing & Forwarding Charges	93,165
	Freight Inward 5%	1,717,194
	Frieght- Inward 18%	2,784,686
	Less: Stock-in-trade purchases	19,014,521
		159,212,783

Job Work Charges	
Job Work Charges	4,103,550
JOB WORK	12,088,094
Nelmangala Factory Shed Expenses	348,652
	16,540,296
Freight and forwarding	
Freight - Outward	5,737,375
Handling Charges	35,537
Loading & Unloading Charges	104,937
Freight Outward	449,066
	6,326,915
Repairs and maintenance - Others	
REPAIR AND MAINTANANCE COMP 9%	326,075
Repairs and Maintenance - Electrical Installations	287,693
Repairs & Maintenance - Computer 28%	282,062
Repairs & Maintenance - Others	43,206
	939,036
Legal and professional charges	
Internal Audit Fee	375,000
Directors Sitting Fee	50,000
ISO Expenses	74,258
Consultancy Charges	526,535
Professional Fees	1,205,356
Recruitment Expenses	272,529
	2,503,678
Salaries and wages	
Salary -Staff	187,300
Bonus A/c	1,543,801
Full & Final Settlement	53,289
Incentive	282,500
LTA-16-17	2,500
LTA 17-18	1,357,464
Overtime Wages	2,714,742
Reimbursement of COO Salary	1,745,000
Salary - Employees - Basic & VDA	12,935,460
Salary - Employees - Other Allowances	13,490,590
Salary - Staff- Basic &DA	5,732,472
Salary - Staff - Other Allowances	6,404,817
Salary - Stipend - Basic & DA	1,014,442
Salary - Stipend - Other Allowances	518,566
Service Award-Employee.	150,000
Travel Allowances	7,000
	48,139,943
Staff welfare	
Staff Welfare	4,499,558
Staff Welfare	1,290,020
Staff Welfare 5%	344,776
Staff Welfare 6%	18,928
Transportation	3,509,983
Training Expenses	143,680
	9,806,945

Contribution to Provident Fund and Others		
E P F Employer Contn		2,250,365
ESI Empllyer Contn		296,629
Gratuity A/c		1,377,999
Leave Encashment		370,549
Leave Encashment Interest Cost		124,548
PF-EDLI Admin Charges-0.01%		104,625
PF-EDLI Charges-0.5%		36,744
PF-EPF Admin Charges-1.1%		67,852
Less: Actuarial gain on Gratuity	-	571,069
		4,058,242
Finance cost		
Bank Charges		252,143
Bill Discounting-Charges		28,979
		281,122
Travel and conveyance		
Travel Expenses		53,762
Travel - Ticket (Overseas)		311,896
Audit Expenses		71,289
Travelling & Conveyance		1,574,602
		2,011,549
FX fluctuation gain		
Forex Gain / Loss	-	138,010
Exchange Gain / Loss	-	174,559
Forex loss forward cover	-	191,398
	-	121,171
IT Expenses		
Software Maintainence		227,009
Tally Implimentation Charges		51,327
		278,336
Office expenses		
Office Expenses		155,757
Office Expenses 18%		438,718
Pooja Expenses		75,055
Other Expenses		-
Printing & Stationery		186,470
Security Charges		1,105,174
		1,961,174
Others		
Miscellenious Account		276,569
Communication Expenses		673,958
Business Promotion Exps		178,019
Marketing Expenses		293,696
Commercial Credit Card		19,545
Member Ship & Subscription		94,642
Other Deuction		6,674
Loss on sale of assets		10,700
Round Off		586
		1,554,389