

**MANEESH AVNEESH & CO**  
**Chartered Accountants**

Off. 310, Plaza Kalpana,  
Birhana Road, Kanpur-208001  
(M) :9984169645, 9839504292  
e-mail:avneesh11@rediffmail.com

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation  
33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
Board of Directors  
RAKAN STEELS LIMITED

We have audited the accompanying statement of Standalone financial results of **RAKAN STEELS LIMITED** ("the Company") for the quarter ended on 31.03.2018 and the year to date results for the period 01.04.2017 to 31.03.2018 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Company for the quarter ended on 31.03.2018 as well as the year to date results for the period from 01.04.2017 to 31.03.2018.

For **MANEESH AVNEESH & CO.**  
Chartered Accountants  
FRN: 008433C



**CA AVNEESH SRIVASTAVA**  
(Partner)  
Membership No.:402380

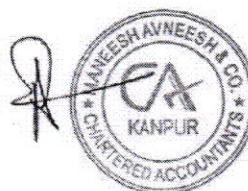
Place of signature: Kanpur  
Date: 30.05.2018

# RAKAN STEELS LIMITED

## BALANCE SHEET

AS AT 31ST MARCH 2018

	Note No.	As at 31st March, 2018	As at 31st March, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2.1	5078267	6,140,459
Capital Work-in-Progress		0	0
Financial Assets			
Investments	2.2	0	0
Loan	2.3	0	0
Other Financial Assets	2.4	0	0
Deferred Tax Assets (Net)		177322	84,402
Other Non-Current Assets	2.5	473667	473,667
<b>Current Assets</b>			
Inventories	2.6	63264353	61,837,681
Financial Assets			
Investments	2.7	0	0
Trade Receivables	2.8	28668884	8,077,617
Cash and Cash Equivalents	2.9	1146632	1,626,946
Bank Balances other than Cash and Cash ec	2.10	0	0
Loans	2.11	0	0
Other Financial Assets	2.12	0	0
Current Tax Assets (Net)	2.13	0	0
Other Current Assets	2.14	737991	118,057
<b>TOTAL ASSETS</b>		<b>99547116</b>	<b>78,358,829</b>



**EQUITY AND LIABILITIES****Equity**

Equity Share Capital	2.15	3,24,00,000	3,24,00,000
Other Equity	2.16	11550007	10775577
		<b>43950007</b>	<b>43175577</b>

**Liabilities****Non-Current Liabilities**

Financial Liabilities			
Borrowings	2.17	50401931	12210058
Other Financial Liabilities	2.18	0	0
		<b>50401931</b>	<b>12210058</b>
Provisions	2.19	0	0
Deferred Tax Liabilities (Net)	2.20	0	0
Other Non-Current Liabilities	2.21	0	0

**Current Liabilities**

Financial Liabilities			
Borrowings	2.22	0	0
Trade Payables-Total Outstanding Dues of	2.23	4599019	21754278
- Micro and Small Enterprises		0	0
- Creditors other than Micro and Small Enterprises		0	0
Other Financial Liabilities	2.24	300831	1073588
		<b>4899850</b>	<b>22827866</b>
Other Current Liabilities	2.25	0	0
Provisions	2.26	295328	145328
Current Tax Liabilities (Net)		0	0
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>99547116</b>	<b>78358829</b>

**Significant Accounting Policies**

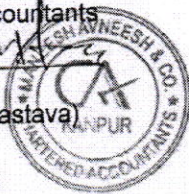
The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached

For Maneesh Avneesh & co.  
Chartered Accountants

(Ayneesh Srivastava)  
Partner  
M.No: 402380  
FRNo.008433C

Place : Kanpur  
Date : 30.05.2018



For RAKAN STEELS LIMITED  
CIN - L27320UP1985PLC007582

Kanman Agarwal  
(Managing Director)  
DIN: 07318672

Ragunwal  
Rachit Agarwal  
(Chief Financial Officer)

Sandeep Agarwal  
(Director)  
DIN: 02957566

Garima Priyani  
(Company Secretary)

**RAKAN STEELS LIMITED**  
**STATEMENT OF PROFIT & LOSS**  
 FOR THE YEAR ENDED 31ST MARCH 2018

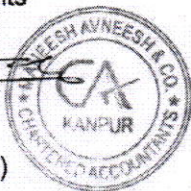
	Note No.	Year Ended 31st March, 2018 Current Year	Year Ended 31st March, 2017 Previous Year
<b>INCOME</b>			
Revenue from Operations	3.1	185362275	54231248
Other Income	3.2	509751	3264574
<b>Total Income (I)</b>		<b>185872026</b>	<b>57495822</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	3.3	0	0
Purchase of Stock-in-Trade	3.4	168366495	48218644
Changes in Inventories of Finished Goods, Wc	3.5	-1426672	-777411
Employees Benefits Expenses	3.6	1823178	1008000
Finance Costs	3.7	4051402	1433985
Depreciation and Amortisation Expenses	2.1	1302417	1158830
Other Expenses	3.8	10802976	5888325
<b>Total Expenses (II)</b>		<b>184919796</b>	<b>56930373</b>
<b>Profit Before Exceptional Item and Tax</b>		<b>952230</b>	<b>565449</b>
Exceptional Item		0	0
<b>Profit Before Tax</b>		<b>952230</b>	<b>565449</b>
Tax Expenses			
Current Tax		150000	100000
Tax Relating To Prior Period		120720	0
Deferred Tax		-92920	52175
<b>Total Tax Expense</b>		<b>177800</b>	<b>152175</b>
<b>Profit for the Year (III)</b>		<b>774430</b>	<b>413274</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be considered to profit or loss	3.9	0	0
<b>Items that will be considered to profit or loss</b>			
Exchange differences on translating foreign operations		0	0
Less: Tax Effect on above		0	0
<b>Other Comprehensive Income for the Year (IV)</b>		<b>0</b>	<b>0</b>
<b>Total Comprehensive Income for the Year (III+IV)</b>		<b>774430</b>	<b>413274</b>
Earnings per Equity Share (Face Value Rs. 1 each)			
Basic (Rs.)		0.24	0.13
Diluted (Rs.)		0.24	0.13

**Significant Accounting Policies**

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached  
 For Maneesh Avneesh & co.  
 Chartered Accountants

(Avneesh Srivastava)  
 Partner  
 M.No: 402380  
 FRNo.008433C



For RAKAN STEELS LIMITED  
 CIN - L27320UP1985PLC007582

Kanjan Agarwal  
 (Managing Director)  
 DIN: 07318672

Raghuwala  
 Rachit Agarwal  
 (Chief Financial Officer)

Sandeep Agarwal  
 (Director)  
 DIN: 02957566

Garima Priyani  
 (Company Secretary)

Place : Kanpur  
 Date : 30.05.2018

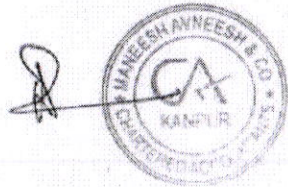
STATEMENT OF CHANGES IN EQUITY  
for the year ended 31st March, 2018

A. EQUITY SHARE CAPITAL  
For the year ended 31st March, 2018

Balance as at 1st April, 2017	Changes in Equity Share Capital	Balance as at 31st March, 2018
3,24,00,000	-	3,24,00,000

B. OTHER EQUITY

	Reserves & Surplus				Other Comprehensive Income				Total
	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Currency Translation Reserve	Effective Portion of Hedge Cash Flow	Other Items of Other Comprehensive Income	
<b>As at 31st March 2018</b>									
Opening Balance as at 1st April, 2017	14,00,000.00	800,000.00	1,589,220.00	-5,613,643.00	-	-	-	-	10,775,577.00
Profit for the year	-	-	-	774,430.00	-	-	-	-	774,430.00
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to Capital Reserve	-	-	-	-	-	-	-	-	-
Capital Subsidy (effect under Ind AS to be set off against Capital Reserve)	-	-	-	-	-	-	-	-	-
Dividend (Including Corporate Dividend Tax)	-	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income for the year</b>									
Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-
<b>Closing Balance as at 31st March, 2018</b>	<b>14,00,000.00</b>	<b>800,000.00</b>	<b>1,589,220.00</b>	<b>-4,839,213.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,550,007.00</b>



	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instrument s through Other Comprehe nsive Income	Currency Translation Reserve	Effective Portion of Hedge Cash Flow	Other Items of Other Comprehe nsive Income	Total
<b>As at 31st March 2017</b>									
Opening Balance as at 1st April, 2016	14,000,000	800,000	1,589,220	-6,026,917	-	-	-	-	10,362,303
Profit for the year	-	-	-	413,274	-	-	-	-	413,274
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to Capital R	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to General f	-	-	-	-	-	-	-	-	-
Capital Subsidy (effect under Ind AS to be se	-	-	-	-	-	-	-	-	-
Dividend (Including Corporate Dividend Tax)	-	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income for the year</b>									
Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-
<b>Closing Balance as at 31st March, 2017</b>	<b>14,000,000</b>	<b>800,000</b>	<b>1,589,220</b>	<b>-5,613,643</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,775,577</b>

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached

For Maheesh Avneesh & co  
Chartered Accountants

(Avneesh Srivastava)  
Partner  
M.No: 402380  
FRNo.008433C



Place : Kanpur  
Date : 30.05.2018

For RAKAN STEELS LIMITED  
CIN - L27320UP1985PLC007582

Kannan Agarwal  
(Managing Director)  
DIN: 07318872

Ragunwal  
Rachit Agarwal  
(Chief Financial Officer)

Sandeep Agarwal  
(Director)  
DIN: 02957566

Garima Priyari  
(Company Secretary)

# RAKAN STEELS LIMITED

## Cash Flow Statement For The Year Ended 31.03.2018

Particulars	Year Ended 31.03.2018		Year Ended 31.03.2017	
<b>A Cash Flow from Operating Activities</b>				
Profit for the Year before tax & extraordinary items		952230		565449
<u>Adjustment for:</u>				
Depreciation	1302417		1158830	
Interest & Financial Charges	4051402	5353819	1433985	2592815
Operating Profit before Working Capital changes		6306049		3158264
<u>Adjustments for:</u>				
(Increase)/Decrease in Loans and Advances	0		-73500	
(Increase)/Decrease in Trade Recievables	-20591267		2409297	
(Increase)/Decrease in Inventory	-1426672		-777411	
(Increase)/Decrease in Current Assets	-619934		0	
Increase/(Decrease) in current Liabilities	-17928016		-4006557	
Less:-Direct Taxes Paid (Net)	-270720	-4083609		-2448171
<b>Net Cash from Operating Activities</b>		<b>-34530560</b>		<b>710093</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase of fixed asset	240225	-240225	-432608	-432608
Purchase of investment	0	0	0	0
(Increase)/Decrease in Non Current Assets	0	0	0	0
Increase/(Decrease) in Non Current Liabilities	150000	150000	0	0
<b>Net Cash from Investing Activities</b>		<b>-90225</b>		<b>-432608</b>
<b>C Cash Flow from Financing Activities</b>				
(Payment)/ Receipt of Long Term Borrowing	38191873		1923399	
(Payment)/ Receipt of other Long Term Liabilities	0		0	
Interest and Financial Charges	-4051402		-1433985	
Dividends paid	0	34140471	0	489414
<b>Net Cash from Financing Activities</b>		<b>34140471</b>		<b>489414</b>
<b>NET CASH FLOWS DURING THE YEAR(A+B+C)</b>		<b>-480314</b>		<b>766899</b>
Cash and Cash Equivalents(Opening Balance)		1626946		860047
Cash and Cash Equivalents(Closing Balance)		1146632		1626946

For Maneesh Avneesh & co.  
Chartered Accountants

(Ayneesh Srivastava)  
Partner  
M.No: 402380  
FRNo.008433C

Place : Kanpur  
Date : 30.05.2018

For RAKAN STEELS LIMITED  
CIN - L27320UP1985PLC007582

Kannan Agarwal  
(Managing Director)  
DIN: 07318672

Raghuwal  
Rachit Agarwal  
(Chief Financial Officer)

Sandeep Agarwal  
(Director)  
DIN: 02957566

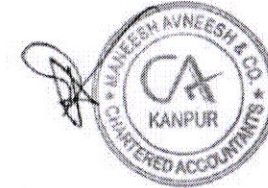
Garima Priyani  
(Company Secretary)

# RAKAN STEELS LIMITED

Notes forming part of the Financial Statements

## 2.1 PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	Gross Block				Depreciation			NET BLOCK	
	As at 1st	Additions	Deductions/ Derecognition	As at 31st	As at 1st	For the	As at 31st	As at 31st	As at 1st
	April, 2017			March, 2018	April, 2017	Year	March, 2018	March, 2018	April, 2017
<b>Tangible Assets *</b>									
Laboratory Equipment	1,513,225	5,240	-	1,518,465	418,505	493,929	912,434	606,031	1,094,720
Computer Peripherals	545,917	68,873	-	614,790	250,832	219,389	470,221	144,569	295,085
Buildings	3,408,464	-	-	3,408,464	96,412	161,297	257,709	3,150,755	3,312,052
Plant & Machinery	1,808,665	-	-	1,808,665	1,040,607	131,216	1,171,823	636,842	768,058
Office Equipments	233,281	63,008	-	296,289	96,500	114,146	210,646	85,643	136,781
Furniture & Fittings	131,650	103,104	-	234,754	33,100	48,693	81,793	152,961	98,550
Vehicles	1,229,628	-	-	1,229,628	843,019	121,163	964,182	265,446	386,609
Electrical Equipments	57,206	-	-	57,206	8,602	12,584	21,186	36,020	48,604
Turbine (Co Generation System along with Pressure Boiler)	-	-	-	-	-	-	-	-	-
<b>Total Tangible Assets</b>	<b>8,928,036</b>	<b>240,225</b>	<b>-</b>	<b>9,168,261</b>	<b>2,787,577</b>	<b>1,302,417</b>	<b>4,089,994</b>	<b>5,078,267</b>	<b>6,140,459</b>
<b>Previous Year</b>	<b>3,035,788</b>	<b>432,608</b>	<b>5,459,640.00</b>	<b>8,928,036</b>	<b>1,628,747</b>	<b>1,158,830</b>	<b>2,787,577</b>	<b>6,140,459</b>	<b>1,407,041</b>





## 2.2 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31st March, 2018	As at 31st March, 2017
<b>Investments at Cost</b>		
Investments in Equity instruments of Subsidiaries		
Unquoted		
<b>Total Investments carried at cost</b>	0	0
<b>Investments at fair value through OCI (fully paid)</b>		
<b>Quoted Shares</b>		
Unquoted Investments in Equity Shares	0	0
Quoted Investments in Mutual Funds	0	0
Investments carried at fair value through Other Comprehensive Income	0	0
<b>Total Investments</b>	0	0
Current	0	0
Non-Current	0	0

## 2.3 NON-CURRENT FINANCIAL ASSETS - LOANS

	As at 31st March, 2018	As at 31st March, 2017
(Unsecured, Considered Good unless otherwise stated)		
Loans to Related Parties	0	0
Other Loans	0	0
Loans to Employees	0	0
	0	0

## 2.4 NON-CURRENT FINANCIAL ASSETS - OTHERS

	As at 31st March, 2018	As at 31st March, 2017
Fixed Deposits with Banks with maturity more than 12 Months	0	0
	0	0

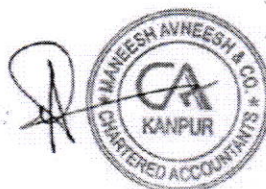
## 2.5 OTHER NON-CURRENT ASSETS

	As at 31st March, 2018	As at 31st March, 2017
Capital Advances for Purchase of Property, Plant and Equipment	0	0
Security Deposits	473667	473667
Other Advances (Deposit with Government Authorities, etc.)	0	0
	473667	473667

## 2.6 INVENTORIES

(Valued at lower of cost and net realisable value, unless otherwise stated)

	As at 31st March, 2018	As at 31st March, 2017
Raw Material	0	0
Finished Goods	63264353	61837681
Stock in Process	0	0
Packing Materials, Stores & Chemicals	0	0
	63264353	61837681



**2.7 CURRENT FINANCIAL ASSETS - INVESTMENTS**

	As at 31st March, 2018	As at 31st March, 2017
Investments at fair value through FVTPL (fully paid)		
Quoted Shares		
Quoted Investments in Mutual Funds		
Investments carried at fair value through Other Comprehensive Income	0	0
<b>Total Investments</b>	<b>0</b>	<b>0</b>

**2.8 TRADE RECEIVABLES**

(Unsecured, unless otherwise stated)

	As at 31st March, 2018	As at 31st March, 2017
Considered Good	28668884	8077617
Doubtful	0	0
	28668884	8077617
Less: Impairment Loss	0	0
	<b>28668884</b>	<b>8077617</b>

**2.9 CASH AND CASH EQUIVALENTS**

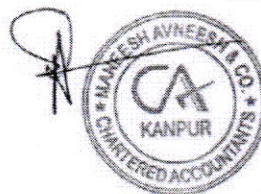
	As at 31st March, 2018	As at 31st March, 2017
Cash in hand	922728	982572
Balances with Banks		
In Current Account	223904	644374
In Deposit Account - Original Maturity of 3 Months or Less	0	0
	<b>1146632</b>	<b>1626946</b>

**2.10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

	As at 31st March, 2018	As at 31st March, 2017
Deposits with Bank in Dividend Account	0	0
Bank Deposits (with maturity more than 3 months but less than 12 months)	0	0
	<b>0</b>	<b>0</b>

**2.11 CURRENT FINANCIAL ASSETS - LOANS**

	As at 31st March, 2018	As at 31st March, 2017
(Unsecured, Considered Good unless otherwise stated)		
Loans to Related Parties	0	0
Other Loans	0	0
Loans to Employees	0	0
	<b>0</b>	<b>0</b>



**2.12 OTHERS FINANCIAL ASSETS**

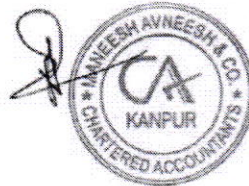
	As at 31st March, 2018	As at 31st March, 2017
Interest Accured on Fixed Deposit	0	0
Cash Flow Hedges	0	0
	<u>0</u>	<u>0</u>

**2.13 CURRENT TAX ASSETS (NET)**

	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax (Net of Provision)	0	0
	<u>0</u>	<u>0</u>

**2.14 OTHER CURRENT ASSETS**

	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Advances to Suppliers	0	0
Prepaid Expenses	36443	0
Other Advances	701548	118057
	<u>737991</u>	<u>118057</u>



## 2.15 EQUITY SHARE CAPITAL

	As at 31st March, 2018	As at 31st March, 2017
<b>2.151 Authorised</b>		
55,00,000 Equity Shares of Re. 10/- each (Previous Year 55,00,000 Equity Shares of Re. 10/- each)	5,50,00,000	5,50,00,000
	<u>5,50,00,000</u>	<u>5,50,00,000</u>
	As at 31st March, 2018	As at 31st March, 2017
<b>2.152 Issued, Subscribed and Fully Paid-up</b>		
32,40,000 Equity Shares of Re. 10/- each (Previous Year 32,40,000 Equity Shares of Re. 10/- each)	3,24,00,000	3,24,00,000
	<u>3,24,00,000</u>	<u>3,24,00,000</u>

### 2.153 Reconciliation of the Number of Equity Shares Outstanding

	Number of Shares	
	Current Year	Previous Year
Outstanding as at the beginning of the year	32,40,000	32,40,000
Add: Issued during the year	0	0
Outstanding as at the end of the year	<u>32,40,000</u>	<u>32,40,000</u>

### 2.154 Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Re. 10 per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees but has not proposed any dividend for the current year.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### 2.155 List of Shareholders holding more than 5% Shares in the Equity Share Capital of the Company

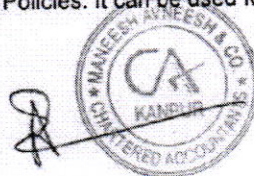
	Current Year		Previous Year	
	No. of Share	% Holding	No. of Shares	% Holding
Rajvardhan Agencies Private Limited	268300	8.28%	268300	8.28%
Surendra Mohan Agarwal	243000	7.50%	243000	7.50%

## 2.16 OTHER EQUITY

	As at 31st March, 2018	As at 31st March, 2017
Securities Premium Reserve	14000000	14000000
General Reserve	800000	800000
Capital Reserve	1589220	1589220
Retained Earnings	-4839213	-5613643
Other Comprehensive Income	0	0
	<u>11550007</u>	<u>10775577</u>

The Description of the nature and purpose of each reserve within equity is as follows:

- Securities Premium Reserve:** Securities premium reserve is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- General Reserve:** It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.
- Capital Reserve:** Capital Reserve is the reserve created by investment made in plant and machinery in accordance with the then applicable Government Policies. It can be used for acquiring plant and machinery and other capital investments.



**2.17 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

	As at 31st March, 2018	As at 31st March, 2017
<b>Secured</b>		
Rupee Term Loan from Banks	47,831,030	0
Foreign Currency Term Loan from Banks		
<b>Un-Secured</b>		
Loans & Advances from Related Parties/ Shareholders & Directors	2570901	12210058
	<b>50,401,931</b>	<b>12,210,058</b>

**2.171 Nature of Security, Repayment Terms and Break-up of Current and Non-Current**

	Current Year		Previous Year	
	Current *	Non-Current	Current *	Non-Current
<b>Secured Long-Term Borrowings:</b>				
Rupee Term Loan secured by first charge on the premises situated on arazi number 2153, 2159, 2160, 2161 and 2191 mauza umran, tehsil- Akbarpur, District-Kanpur and personal guarantee by three directors and their relatives.	2,400,000	45,431,030	0	0
	<b>2400000</b>	<b>45431030</b>	<b>0</b>	<b>0</b>

**2.172 Maturity Profile of Non-Current Borrowings (including Current Maturities) is as set out below:**

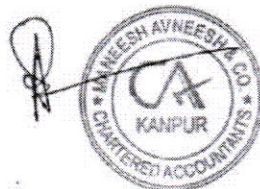
	Maturity Profile			
	Within 2 Years	2 - 3 Years	5 - 6 Years	7 Years & Above
<b>Secured</b>				
Rupee Term Loan from Banks	0	0	0	0
Foreign Currency Term Loan from Banks	0	0	0	0
Current Year	0	0	0	0
Previous Year	0	0	0	0

**2.18 NON-CURRENT OTHER FINANCIAL LIABILITIES**

	As at 31st March, 2018	As at 31st March, 2017
Security and other Deposits	0	0
	<b>0</b>	<b>0</b>

**2.19 NON-CURRENT PROVISIONS**

	As at 31st March, 2018	As at 31st March, 2017
Employees Benefits - Gratuity etc	0	0
	<b>0</b>	<b>0</b>



**2.20 DEFERRED TAX LIABILITIES (NET)**

	As at 31st March, 2018	MAT Credit Utilized	Charge for the C. Year Profit or Loss	Other Comprehensive Income	As at 31st March, 2017
<b>Deferred Tax Liabilities:</b>	0	0	0	0	0
Accumulated Depreciation	0	0	0	0	0
Fair Valuation of Equity Instruments and Bonds mea	0	0	0	0	0
Fair Valuation of Mutual Funds measured at FVTPL	0	0	0	0	0
Others	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Tax Assets:</b>					
Accrued Expenses Allowable on Payment Basis	0	0	0	0	0
Expenses Allowable in Instalments in Income Tax	0	0	0	0	0
Provision for Contingencies Allowable on Payment Basis	0	0	0	0	0
MAT Credit Entitlement	0	0	0	0	0
Fair Valuation of Preference Shares measured at FVTPL	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Tax Liabilities (Net)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

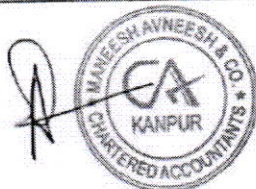
	As at 31st March, 2018		Charge for the C. Year Profit or Loss	Other Comprehensive Income	As at 31st March, 2017
<b>Deferred Tax Liabilities:</b>	0	0	0	0	0
Accumulated Depreciation	0	0	0	0	0
Fair Valuation of Equity Instruments and Bonds measured at FVTOCI	0	0	0	0	0
Fair Valuation of Mutual Funds measured at FVTPL	0	0	0	0	0
Others	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Tax Assets:</b>					
Accrued Expenses Allowable on Payment Basis	0	0	0	0	0
Expenses Allowable in Instalments in Income Tax	0	0	0	0	0
Provision for Contingencies Allowable on Payment Basis	0	0	0	0	0
MAT Credit Entitlement	0	0	0	0	0
Fair Valuation of Preference Shares measured at FVTPL	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Tax Liabilities (Net)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**2.21 OTHER NON-CURRENT LIABILITIES**

	As at 31st March, 2018	As at 31st March, 2017
Other Creditors	0	0
Deferred Revenue from Government Grant	0	0
Other Liabilities	0	0
	<u>0</u>	<u>0</u>

**2.22 CURRENT FINANCIAL LIABILITIES - BORROWINGS**

	As at 31st March, 2018	As at 31st March, 2017
<b>Loans Repayable on Demand from Banks</b>		
<b>Secured:</b>		
Working Capital Borrowings	0	0
	<u>0</u>	<u>0</u>



**2.23 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES**

	As at 31st March, 2018	As at 31st March, 2017
Due to Micro and Small Enterprises	0	0
Due to Related Parties	0	0
Others	4,599,019	21,754,278
	<b>4,599,019</b>	<b>21,754,278</b>

# This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**2.24 CURRENT - OTHER FINANCIAL LIABILITIES**

	As at 31st March, 2018	As at 31st March, 2017
Current Maturities of Long-Term Debts (Note 2.16.1)	0	0
Interest Accrued but not Due on Borrowings	0	0
Security and Other Deposits (Trade Deposits)	0	0
Dividend Payable	0	0
Liability for Capital Goods	0	0
Other Payables (including Retention money etc.)	300,831	1,073,588
Term Loan Installments repayable	0	0
	<b>300,831</b>	<b>1,073,588</b>

**2.25 OTHER CURRENT LIABILITIES**

	As at 31st March, 2018	As at 31st March, 2017
Statutory Liabilities	0	0
Advance from Customers	0	0
Deferred Revenue from Government Grant	0	0
Other Payables (including Employee Benefits Payable, Provision etc.)	0	0
	<b>0</b>	<b>0</b>

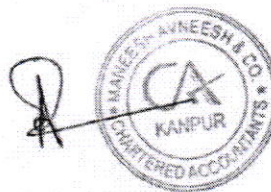
**2.26 CURRENT PROVISIONS**

	As at 31st March, 2018	As at 31st March, 2017
For Employee Benefits (Leave Encashment and Pension)	0	0
Provision for Taxation	295328	145328
	<b>295328</b>	<b>145328</b>

Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset"

**2.26.1**

	As at 31st March, 2018	As at 31st March, 2017
Changes in provisions required by Ind AS-37	0	0
	<b>0</b>	<b>0</b>



### 3.1 SALE OF PRODUCT & SERVICES (GROSS)

	Current Year	Previous Year
Sale of Product	180,491,294	50,716,248
Sale of Service:		
Educational Fee Receipt	4,186,981	2,879,000
Rent	684,000	636,000
	<u>185,362,275</u>	<u>54,231,248</u>

### 3.2 OTHER INCOME

	Current Year	Previous Year
Interest Received	0	0
Interest on Income Tax Refund	0	0
Dividend	0	0
Profit of Sale of Investments	0	0
Profit of Sale of Assets	0	0
Profit of Sale of Investments (Measured at FVTPL)	0	0
Other Income	509,751	3,264,574
	<u>509,751</u>	<u>3,264,574</u>

### 3.3 COST OF MATERIAL CONSUMED

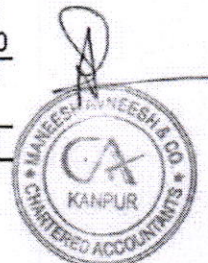
	Current Year	Previous Year
<b>Raw-Material Consumed</b>		
Opening Stock	0	0
Add: Purchase & Incidental Expenses	0	0
Less: Closing Stock	0	0
<b>Raw-Material Consumed</b>	<u>0</u>	<u>0</u>
<b>Packing Material, Stores &amp; Chemicals consumed</b>		
Opening Stock	0	0
Add: Purchase & Incidental Expenses	0	0
Less: Closing Stock	0	0
<b>Packing Material, Stores &amp; Chemicals consumed</b>	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

### 3.4 PURCHASE OF STOCK-IN-TRADE

	Current Year	Previous Year
Purchase of Stock	168,366,495	48,218,644
	<u>168,366,495</u>	<u>48,218,644</u>

### 3.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

	Current Year	Previous Year
Opening Stock		
Finished Goods	61,837,681	61,060,270
Stock-in-Process	0	0
	<u>61,837,681</u>	<u>61,060,270</u>
Less: Closing Stock		
Finished Goods	63,264,353	61,837,681
Stock-in-Process	0	0
	<u>63,264,353</u>	<u>61,837,681</u>
<b>(Increase)/Decrease in Stock</b>	<u>-1,426,672</u>	<u>-777,411</u>





### 3.6 EMPLOYEES BENEFIT EXPENSES

	Current Year	Previous Year
Salaries, Wages and Bonus etc	1,815,600	1,008,000
Contribution to Provident and other funds	0	0
Staff Welfare Expenses	7,578	0
	<b>1,823,178</b>	<b>1,008,000</b>

### 3.7 FINANCE COST

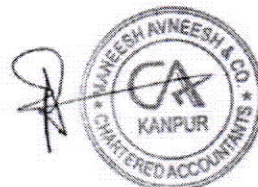
	Current Year	Previous Year
Interest Expense	3,465,514	1,375,390
Other Finance Cost	585,888	58,595
	<b>4,051,402</b>	<b>1,433,985</b>

### 3.8 OTHER EXPENSES

	Current Year	Previous Year
<b>Manufacturing Expenses</b>		
Power and Fuel	551,271	552,747
Freight and Cartage	4,566,294	1,571,888
<b>Administrative, Selling &amp; Distribution Expenses</b>		
Repairs & Maintenance	294,173	239,793
Office Expenses	99,361	37,777
Legal Expenses	104,677	0
Travelling Expenses	174,874	126,861
Director's/ CFO Remuneration	3,180,000	2,550,000
Insurance	39,345	45,076
Rate & Taxes & Fees	547,459	104,241
Auditor Fees	25,000	101,200
Postage, Telegram & telephone	79,081	152,237
Printing & Stationery	34,246	38,820
Miscellaneous Expenses	206,853	73,967
Professional & Consultancy Charges	146,000	122,257
Administrative Expenses	248,250	71,400
Advertisement & Publicity	506,092	100,061
	<b>10,802,976</b>	<b>5,888,325</b>

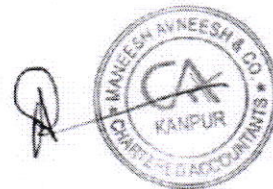
### 3.9 OTHER COMPREHENSIVE INCOME

	Current Year	Previous Year
<b>Items that will not be reclassified to Profit and Loss</b>		
Equity Instrument through Other Comprehensive Income	0	0
Re-measurement of Defined Benefit Plan		
Less: Income Tax	0	0
<b>Items that will be reclassified to Profit and Loss</b>		
Exchange differences on translating foreign operations	0	0
Less: Income Tax	0	0
	<b>0</b>	<b>0</b>



**ANNEXURE – RELATED PARTY DISCLOSURES (IND AS – 24)**

<u>S.No.</u>	<u>Name of Related Party and Nature of Relationship</u>	<u>Nature of Transaction</u>	<u>Transaction Value</u>	<u>Closing Balance</u>
1.	Bindu Agarwal (Director, Key Managerial Personnel)	Unsecured Loans -Taken -Repaid -Interest Paid	0.00 50,00,000.00 0.00	1,95,076.00 (Dr)
2.	Kannan Agarwal (Director, Key Managerial Personnel)	Unsecured Loans -Taken -Repaid -Interest Paid	0.00 2,30,458.00 49,366.00	3,13,585.00 (Cr)
3.	Sandeep Agarwal (Director, Key Managerial Personnel)	Unsecured Loans -Taken -Repaid -Interest Paid	28,63,000.00 83,30,000.00 2,53,288.00	6,77,619.00 (Cr)
4.	Sandeep Agarwal (HUF) (Relative of Key Managerial Personnel)	Unsecured Loans -Interest Paid	87,572.00	8,08,574.00 (Cr)
5.	Sandeep S Gupta (Relative of Key Managerial Personnel)	Unsecured Loans -Interest Paid	39,338.00	3,63,211.00 (Cr)
6.	Sanjeev Agarwal (Relative of Key Managerial Personnel)	Unsecured Loans -Interest Paid	9,268.00	85,567.00 (Cr)
7.	Shilpa Gupta (Relative of Key Managerial Personnel)	Unsecured Loans -Interest Paid	27,516.00	2,54,064.00 (Cr)
8.	Surendra Mohan Agarwal (Relative of Key Managerial Personnel)	Unsecured Loans -Interest Paid	2,404.00	22,433.00 (Cr)



	Personnel)			
9.	Vaibhav Agarwal (Relative of Key Managerial Personnel)	Unsecured Loans -Interest Paid	4,914.00	45,848.00 (Cr)
10.	Bindu Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	3,52,500.00	0.00 (Cr)
11.	Sandeep Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	8,77,500.00	6,56,765.00 (Cr)
12.	Kannan Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	8,77,500.00	1,89,674.00 (Cr)
13.	Kashish Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	5,75,000.00	2,31,050.00 (Cr.)
14.	Rajvardhan Agencies Pvt. Ltd.	Sale Purchase	7,77,03,501.00 39,63,007.00	2,53,59,492.00 (Cr)
15.	S P Industries	Rent Sale	1,74,000.00 87,30,545.00	27,85,421.00 (Dr)
16.	Shree Radha Industries	-	-	8,15,084.00 (Cr)
17.	Shree Radha Udyog	Sale Purchase Rent	7,04,07,758.00 2,44,68,929.00 3,00,000.00	1,08,01,566.00 (Dr)
18.	Aditi Agarwal	CFO Remuneration	4,80,000.00	600.00 (Dr)



# RAKAN STEELS LIMITED

Notes to the Ind AS financial statements for the year ended March 31, 2018

## BASIS OF PREPARATION OF FINANCIAL STATEMENTS

### a) Basis of preparation and compliance with Ind AS

For all periods upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 1, 2016 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2017 and succeeding years.

The financial statements for the year ended March 31, 2018 (the "Ind AS Financial Statements") have been prepared in accordance with Ind AS.

### b) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

### Fair value measurement

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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 minimizing the use of unobservable inputs.

### c) Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency.

All financial information presented in Rupees has been rounded to the nearest rupee.



# RAKAN STEELS LIMITED

Notes to the Ind AS financial statements for the year ended March 31, 2018

## SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

### a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Excise duty is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to Company on its own account, revenue includes excise duty. However, sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer, which generally coincides with delivery. Revenues from sale of by products are included in revenue.

### b) Property, Plant and Equipment

#### (i) Property, plant and equipment

The Company has applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., 1 April 2015. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met when significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



## **(ii) Depreciation**

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life (determined by the management based on technical estimates), as follows:

The estimated useful lives of assets are as follows:

- Buildings 60 years
- Plant and equipments 15 years
- Furniture and fixtures 8 years
- Vehicles 8 years
- Office equipments 5 years
- Laboratory equipments 5 years
- Electrical Installations and equipments 10 years
- Computer and data processing units 3-10 years
- Individual items of assets costing upto Rs. 5,000 are fully depreciated in the year of acquisition.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

## **c) Intangible assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

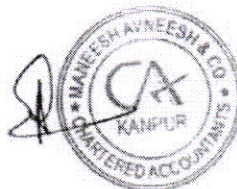
## **d) Financial instruments**

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

## **e) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balance, as defined above.



#### **f) Inventories**

Inventories are valued at the lower of cost and net realisable value except scrap which are valued at net realisable value. Costs incurred in bringing the inventory to its present location and conditions are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

Inventory includes non-current item in form of purchase of land kept in and accounted as Stock-In-Trade.

#### **g) Taxation**

##### **(i) Current income tax**

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

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

##### **(ii) 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 it is probable that the temporary differences will not reverse in the foreseeable future.

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

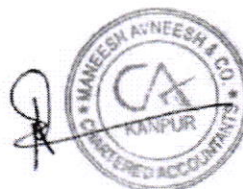
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each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

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

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

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

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:



- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

#### **h) Retirement Benefits**

The company has not provided for any retirement benefits including gratuity.

#### **i) Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

#### **j) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **k) Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. 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 and future periods affected.

