S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Amex Alloys Private Limited

Report on the Ind AS Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32 to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

iv. The Company has provided requisite disclosures in Note 34 to these Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Subramanian Suresh
Partner
Membership Number: 083673
Place of Signature: Chennai
Date: 22 MAY 2017

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

Annexure 1 referred to in our report of even date
Re: Amex Alloys Private Limited ('the Company')

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

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

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

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

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been delays in remittance of provident fund for one month, income-tax for four months and service tax for nine months.

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

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, value added tax and cess which have not been deposited on account of any dispute, except as mentioned in table below:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Central Excise Tariff Act 1985	Ineligible CENVAT credit	2,476,542	2012-2014	Assistant commissioner , Central Excise

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

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

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

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

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

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

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

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

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Subramanian Suresh
Partner
Membership No.: 083673

S.R. Batliboi & Associates LLP * Chennai * Chartered Accountants *

Place of Signature: Chennai
Date: 22 MAY 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF Amex Alloys Private Limited

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Subramanian Suresh
Partner
Membership Number: 083673
Place of Signature: Chennai
Date: 22 MAY 2017

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

AMEX ALLOYS PRIVATE LIMITED

Balance Sheet as at 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Assets				
Non-current assets				
Property, Plant and Equipment	3	4,955.57	5,146.69	5,228.99
Capital work-in-progress		-	11.95	5.76
Intangible assets	4	6.56	9.66	6.68
Financial assets				
Loans	5 (a)	112.79	117.59	133.90
Income tax assets (Net)		68.37	85.29	43.67
Other Non-current assets	6	407.44	366.59	7.41
Total Non-current assets		**5,550.73**	**5,737.77**	**5,426.41**
Current assets				
Inventories	7	1,060.26	916.50	1,102.88
Financial Assets				
Trade receivables	8	1,823.89	1,990.94	1,576.31
Cash and cash equivalents	9	1,586.14	839.75	163.55
Other bank balances	5 (b)	817.29	651.94	600.13
Other financial assets	5 (c)	26.63	28.23	24.28
Other Current assets	10	192.85	159.13	637.19
Total Current Assets		**5,507.06**	**4,586.49**	**4,104.34**
Total Assets		**11,057.79**	**10,324.26**	**9,530.75**
Equity and Liabilities				
Equity				
Equity share capital	11	650.00	650.00	650.00
Other Equity	12	653.16	1,054.27	1,195.53
Total Equity		**1,303.16**	**1,704.27**	**1,845.53**
Non-current liabilities				
Financial Liabilities				
Borrowings	13(a)	2.42	204.97	562.54
Provisions	15	9.22	1.85	14.90
		11.64	**206.82**	**577.44**
Current Liabilities				
Financial Liabilities				
Borrowings	13(b)	7,273.15	6,105.89	4,498.35
Trade payables	16	1,234.54	899.53	1,118.18
Other financial liabilities	14	1,102.01	1,275.54	1,454.00
Other current liabilities	17	133.29	132.21	36.30
Provisions	15	-	-	0.95
		9,742.99	**8,413.17**	**7,107.78**
Total Liabilities		**9,754.63**	**8,619.99**	**7,685.22**
Total Equity and Liabilities		**11,057.79**	**10,324.26**	**9,530.75**

Summary of significant accounting policies 2

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

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm Registration number 101049W/E300004

Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

Place: Chennai
Date: 22 May 2017

For and on behalf of the board of directors

R.Chellappan
Director

Place: Chennai
Date: 22 May 2017

V.G. Raghunath
Director

Place: Chennai
Date: 22 May 2017

AMEX ALLOYS PRIVATE LIMITED

Statement of profit and loss for the year ended 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

	Notes	31 March 2017	31 March 2016
Income			
Revenue from operations	18	7,103.75	7,716.88
Other income	19	72.03	62.27
Finance income	20	113.68	84.29
Total income		**7,289.46**	**7,863.44**
Expenses			
Cost of raw materials and components consumed	21	3,175.61	3,406.96
Purchase of traded goods		-	18.80
Decrease/(increase) in inventories of work-in-progress, traded goods and finished goods	22	(33.58)	73.59
Excise duty on sale of goods		511.41	514.64
Employee benefits expense	23	916.45	894.06
Depreciation and amortisation expense	25	355.59	372.12
Other expenses	24	2,186.90	2,183.81
Finance costs	26	578.19	540.72
Total expenses		**7,690.57**	**8,004.70**
Loss before tax		**(401.11)**	**(141.26)**
Current tax		-	-
Deferred Tax (credit) / charge		-	-
Income tax expense		-	-
Net Loss for the year		**(401.11)**	**(141.26)**
Other comprehensive income (OCI)			
Net other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
Re-measurement gains/ (losses) on defined benefit plans		-	-
Income tax effect		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year, net of tax attributable to:		(401.11)	(141.26)
Loss per share			
Basic and Diluted, computed on the basis of profit from operations attributable to equity holders (Face value of Rs. 10/- each (March 2016 - Rs. 10/- each)	27	(6.17)	(2.17)
Summary of significant accounting policies	2		

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

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm Registration number 101049W/E300004
Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

Place: Chennai
Date: 22 May 2017

For and on behalf of the board of directors

R. Chellappan
Director

Place: Chennai
Date: 22 May 2017

V.C. Raghunath
Director

Place: Chennai
Date: 22 May 2017

AMEX ALLOYS PRIVATE LIMITED

Cash flow statement for the year ended 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

	31 March 2017	31 March 2016
A. Cash flow from operating activities:		
Loss before taxation	(401.11)	(141.26)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation/amortisation	355.59	372.12
Unrealised foreign exchange (gain) / loss, net	33.84	(89.69)
Interest expense	557.81	522.71
Interest income	(113.68)	(84.29)
Operating profit before working capital changes	**432.45**	**579.59**
Movement in working capital :		
(Increase) /Decrease in trade receivables	167.05	(414.63)
(Increase) in current and non-current assets	(68.17)	131.24
(Increase)/ Decrease in inventories	(143.76)	186.38
Increase/ (Decrease) in trade payables, other current and long term liabilities	336.09	(122.74)
Increase/ (Decrease) in provisions	7.37	(43.41)
Cash flow generated from / (used in) operations	**731.03**	**316.43**
Taxes paid, net	(16.92)	41.62
Net cash flow generated from operating activities (A)	**714.11**	**358.05**
B. Cash flow from investing activities:		
Capital expenditure	(171.14)	(516.99)
Redemption in bank deposits (having original maturity of more than three months)	(165.35)	(51.81)
Interest received	113.68	84.29
Net cash flow used in investing activities (B)	**(222.81)**	**(484.51)**
C. Cash flow from financing activities:		
Proceeds / (Repayment) of short-term borrowings	1,167.26	1,732.54
Repayment from long-term borrowings	(357.62)	(282.95)
Redemption of 10% Cumulative Preference Shares	-	(125.00)
Interest paid	(554.55)	(521.93)
Net cash flow generated from financing activities (C)	**255.09**	**802.66**
Net increase in cash and cash equivalents (A + B + C)	**746.39**	**676.20**
Cash and cash equivalents at the beginning of the year	839.75	163.55
Closing cash and cash equivalents	**1,586.14**	**839.75**

	31 March 2017	31 March 2016
Cash and Cash equivalents (Refer Note 9)	1,586.14	839.75

Summary of significant accounting policies 2

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

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm Registration number 101049W/E300004
Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

Place: Chennai
Date: 22 May 2017

For and on behalf of the board of directors

R. Chellappan
Director

Place: Chennai
Date: 22 May 2017

V.C. Raghunath
Director

Place: Chennai
Date: 22 May 2017

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

AMEX ALLOYS PRIVATE LIMITED

Statement of Changes in Equity for the year ended 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

a. Equity Share Capital

For the year ended March 31, 2017

Balance as at April 1, 2016	Changes in Equity Share Capital during the year	Balance as at March 31, 2017 (refer note 11)
650.00	-	650.00

For the year ended March 31, 2016

Balance as at April 1, 2015	Changes in Equity Share Capital during the year	Balance as at March 31, 2016 (refer note 11)
650.00	-	650.00

b. Other Equity

For the year ended March 31, 2017

Particulars	Reserves & Surplus			Total Other Equity
	Capital Subsidy	Capital redemption reserve	Retained earnings	
As at 1 April 2016	15.00	250.00	789.27	1,054.27
Loss for the period	-	-	(401.11)	(401.11)
Other comprehensive income	-	-	-	-
Total comprehensive income	**15.00**	**250.00**	**388.16**	**653.16**
				-
At 31 March 2017	**15.00**	**250.00**	**388.16**	**653.16**

For the year ended March 31, 2016

Particulars	Reserves & Surplus			Total Other Equity
	Capital Subsidy	Capital redemption reserve	Retained earnings	
As at 1 April 2015	**15.00**	**250.00**	**930.53**	**1,195.53**
Loss for the period	-	-	(141.26)	(141.26)
Other comprehensive income	-	-	-	-
Total comprehensive income	**15.00**	**250.00**	**789.27**	**1,054.27**
At 31 March 2016	**15.00**	**250.00**	**789.27**	**1,054.27**

Summary of significant accounting policies 2

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

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm Registration number 101049W/E300004

Chartered Accountants

per Subramanian Suresh

Partner

ICAI Membership no.: 083673

Place: Chennai

Date: 22 May 2017

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

For and on behalf of the board of directors

R.Chellappan

Director

Place: Chennai

Date: 22 May 2017

V.C. Raghunath

Director

Place: Chennai

Date: 22 May 2017

1. Corporate information:

Amex Alloys Private Limited ('AAPL or the Company') was incorporated in India as a Private Limited Company under the Companies Act, 1956 on December 26, 2003. The Company is a subsidiary of Swelect Energy System Limited, ('SESL'). The Company is primarily engaged in manufacturing and trading of sale of machine and alloy castings, patterns from its manufacturing Unit located at Coimbatore, Tamil Nadu.

During the year the company received approval of scheme of Amalgamation from the Hon'ble High Court of Madras for merger with one of its fellow subsidiaries, Amex Irons Private Limited ("AIPL") with the Company with the appointed date of 1st April 2015. AIPL was primarily engaged in manufacturing and sale of iron castings from its manufacturing Unit located at Coimbatore, Tamil Nadu. Details about the merger is explained in Note 34 to the financial statements.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 24, 2017.

2. Significant accounting policies:

2.1. Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 38 for information on how the Company adopted Ind AS.

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

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2. Summary of significant accounting policies:

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, provision for doubtful trade receivables/advances/contingencies, allowance for slow/non-moving inventories, useful life of Fixed Assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods
Revenue from sale of goods are recognised when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Duty Entitlement Pass Book (DEPB) recognised on accrual basis.

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

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

Income from Sale of Renewable Energy Certificates
The revenue from sale of Renewable Energy Certificates (REC) is recognised on delivery thereof or sale of right therein, as the case may be, in accordance with the terms of contract with the respective buyer.

Interest income
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit and loss. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

d. Inventories

Inventories are valued as follows:

Raw materials and components are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first in first out basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials (including all taxes and duties net of cenvat / VAT credits wherever applicable), labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a first in first out basis.

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

e. Taxes

Current income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961. 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future 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. The carrying amount of MAT is reviewed at each reporting date and the asset is written down to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and written off 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 the Statement of profit and loss is recognised outside Statement of profit and 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.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

f. Employee Benefits

Defined Contribution Plan

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent of the pre payment.

Employee State Insurance

Contributions to Employees State Insurance Scheme are recognised as expense in the year in which the services are rendered.

Defined Benefit Plan

Gratuity

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year using the Projected Unit Credit method. Actuarial gains/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The defined benefit obligation recognised in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled.

Long Term Compensated Absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Short Term Employee Benefits

Short term employee benefits includes short term compensated absences which is recognized based on the eligible leave at credit on the Balance Sheet date, and the estimated cost is based on the terms of the employment contract.

g. Foreign Currency Transactions and Translations:

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

h. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

i. Property, Plant and Equipment and intangible fixed assets

The Company has elected to adopt the carrying value of Property, Plant and Equipment and intangible fixed assets under the Indian GAAP as on 31st March 2015, as the deemed cost for the purpose of transition to IND AS.

Tangible and intangible fixed assets are stated at original cost net of tax/duty credit availed, less accumulated depreciation/amortisation and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

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

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has becomes available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

j. Depreciation and amortisation:

Depreciation is provided using the straight line method as per the useful lives of the assets estimated by the management as follows:

Building	30 years
Plant and machinery (other than Windmills & Solar Plant)	15 years
Solar Plant	25 years
Office equipment	5 years
Electrical equipment	10 years
Computers	3 years
Furniture and fittings	10 years
Vehicles (Motor cars/Motor Vehicles)	8 years /10 years

k. Useful lives/depreciation rates

Considering the applicability of Schedule II, the management has estimated the useful lives and residual values of all its fixed assets. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful life and residual values of fixed assets, though these rates in certain cases are different from the lives prescribed under schedule II.

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

The useful lives of certain Solar Plant and Machinery to 25 years, respectively. These lives are higher than those indicated in schedule II.

Leasehold improvements are amortised using the straight-line method over their estimated useful lives (5 years) or the remainder of primary lease period, whichever is lower.

Intangible assets are amortised using the straight-line method over a period of five years.

l. Impairment of tangible and intangible fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

m. Borrowing costs

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

n. Leases

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

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

Leases where, the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

o. Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

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

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

p. Financial instruments:

(i) Financial Assets:

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

• Financial assets at fair value

• Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i .e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

• **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Derecognition

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

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

• Financial assets measured at amortised cost;

• Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

• the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

• full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

• Trade receivables or contract revenue receivables; and

• All lease receivables

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

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

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

(ii) **Financial liabilities:**

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

Derecognition

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

(iii) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

q. Fair value measurement

The Company measures specific financial instruments of certain investments at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes the accounting policy for fair value. Other fair value related disclosures are given in relevant notes.

r. Cash and cash equivalents

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

s. Cash dividend

The Company recognizes a liability to make cash, when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Dividends paid/payable are recognised in the year in which the related dividends are approved by the Shareholders or Board of Directors as appropriate.

t. Cash flow statement

Cash flows are presented using indirect method, whereby profit 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 flow from operating, investing and financing activities of the Company is segregated based on the available information.

u. Business combinations :

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, have been carried forward.

Business combinations involving entities under the common control are accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. Any consideration in excess of the net worth of the acquire company is adjusted against the reserves of the acquiring company.

v. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

w. Segment Reporting

The Executive Management Committee monitors the operating results of its business as a single primary segment "Foundry" for the purpose of making decisions about resource allocation and performance assessment.

The business of the Company falls under a single primary segment i.e 'Foundry' for the purpose of Ind AS 108.

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Freehold land	Buildings	Plant and Machinery	Office Equipments	Computers	Furniture and Fittings	Vehicles	Total
Cost								
At 1 April 2015	**766.92**	**1,328.55**	**2,912.23**	**123.93**	**4.35**	**22.50**	**70.51**	**5,228.99**
Additions	-	179.47	15.15	66.40	8.61	7.31	9.41	286.35
Deletions/Adjustment	-	-	-	-	-	-	-	-
At 31 March 2016	**766.92**	**1,508.02**	**2,927.38**	**190.33**	**12.96**	**29.81**	**79.92**	**5,515.34**
Additions	-	32.67	94.24	0.95	7.70	25.81	-	161.37
Deletions	-	-	-	-	-	-	-	-
At 31 March 2017	**766.92**	**1,540.69**	**3,021.62**	**191.28**	**20.66**	**55.62**	**79.92**	**5,676.71**
Depreciation								
At 1 April 2015	-	-	-	-	-	-	-	-
Charge for the year	-	51.11	260.50	28.30	4.26	9.74	14.74	368.65
Deletions/Adjustment	-	-	-	-	-	-	-	-
At 31 March 2016	-	**51.11**	**260.50**	**28.30**	**4.26**	**9.74**	**14.74**	**368.65**
Charge for the year	-	54.83	219.71	55.20	3.46	5.85	13.44	352.49
Deletions	-	-	-	-	-	-	-	-
At 31 March 2017	-	**105.94**	**480.21**	**83.50**	**7.72**	**15.59**	**28.18**	**721.14**
Net Block								
At 31 March 2015	**766.92**	**1,328.55**	**2,912.23**	**123.93**	**4.35**	**22.50**	**70.51**	**5,228.99**
At 31 March 2016	**766.92**	**1,456.91**	**2,666.88**	**162.03**	**8.70**	**20.07**	**65.18**	**5,146.69**
At 31 March 2017	**766.92**	**1,434.75**	**2,541.41**	**107.78**	**12.94**	**40.03**	**51.74**	**4,955.57**

For Property Plant & Equipment existing as on 1 April 2015 i.e. the date of transition to Ind AS, the company has used Indian GAAP carrying value as deemed cost.

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

4 Intangible assets

Particulars	Software	Total
Cost		
At 1 April 2015	17.72	**17.72**
Additions	6.45	**6.45**
Disposals /Adjustment	-	
At 31 March 2016	**24.17**	**24.17**
Additions	-	-
Disposals /Adjustment	-	-
At 31 March 2017	**24.17**	**24.17**
Amortisation		
At 1 April 2015	11.04	**11.04**
Charge for the year	3.47	**3.47**
Disposals / Adjustment	-	
At 31 March 2016	**14.51**	**14.51**
Charge for the year	3.10	3.10
Disposals / Adjustment	-	-
At 31 March 2017	**17.61**	**17.61**
Net block		
At 31 March 2017	**6.56**	**6.56**
At 31 March 2016	**9.66**	**9.66**
At 1 April 2015	**6.68**	**6.68**

For Intangible Assets existing as on 1 April 2015 i.e. the date of transition to Ind AS, the company has used Indian GAAP carrying value as deemed cost.

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

	31-Mar-17	31-Mar-16	31-Mar-15
5 Financial assets at Amortised cost			
5 (a) Loans (Secured considered good unless otherwise stated)			
Loans to employees	11.90	9.09	8.95
Other Financial Assets *	100.89	108.50	124.95
Total loans	**112.79**	**117.59**	**133.90**
Current	-	-	-
Non-Current	112.79	117.59	133.90

* Other financial assets are non-derivative financial assets which generate an effective interest income at 7.5% for the Company.

5 (b) Bank balances			
Deposits with original maturity more than 3 months and less than 12 months #	811.62	646.94	598.35
Margin money	5.67	5.00	1.78
	817.29	**651.94**	**600.13**
Current	817.29	651.94	600.13
Non-Current	-	-	-

The balance on deposit accounts bears an average interest rate of 7.5% and deposits to the extent of Rs.80,909,151 have been given as collateral to the bank for availing the term loan for the Company. (Refer Note 16)

5 (c) Other financial assets			
Interest accrued on fixed deposits	26.63	28.23	24.28
	26.63	**28.23**	**24.28**
Current	26.63	28.23	24.28

AMEX ALLOYS PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2017
(All amounts are in INR Lakhs, except for share data or as otherwise stated)

6 **Other Non-current Assets**

	31 March 2017	31 March 2016	01 April 2015
Unsecured, considered good:			
Capital advances	2.10	7.29	7.41
Balances with government authorities	405.34	359.30	-
Total non-current assets	**407.44**	**366.59**	**7.41**

7 **Inventories**

	31 March 2017	31 March 2016	01 April 2015
Raw materials and components	386.34	276.17	388.96
Work-in-progress	554.76	506.91	428.88
Finished goods	119.16	133.42	285.04
Total inventories	**1,060.26**	**916.50**	**1,102.88**

Finished goods are valued at lower of cost and net realisable value.

8 **Trade receivables**

	31 March 2017	31 March 2016	01 April 2015
Trade receivables	1,823.89	1,990.94	1,576.31
Total trade receivable	**1,823.89**	**1,990.94**	**1,576.31**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 - 90 days.

9 **Cash and cash equivalents**

	31 March 2017	31 March 2016	01 April 2015
Balances with banks:			
On current accounts	72.43	20.67	162.78
Deposits with original maturity less than 3 months *	1,512.71	809.09	-
Cash on hand	1.00	9.99	0.77
Total Cash and cash equivalents	**1,586.14**	**839.75**	**163.55**

Note:
* The balance on deposit accounts bears an interest rate of 7.5% and have been pledged as collateral securities with banks for availing Bank guarantees for the Company.

10 **Other Current assets**

	31 March 2017	31 March 2016	01 April 2015
Unsecured and considered good			
Balances with government authorities	127.36	128.95	477.05
Advances recoverable in cash	49.82	21.93	93.74
Prepaid expenses	15.67	8.25	28.41
Capital advance	-	-	37.99
Total Current assets	**192.85**	**159.13**	**637.19**

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AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

11 Share capital

Authorised Share Capital	Equity Shares of Rs 10/- each		Preference Shares of Rs 100/- each	
	No.	Rs. Lakhs	No	Rs. Lakhs
At April 1, 2015 **	**85,00,000**	**850.00**	**3,75,000**	**375.00**
Increase/(Decrease) during the year	-	-	-	-
At March 31, 2016	**85,00,000**	**850.00**	**3,75,000**	**375.00**
Increase/(Decrease) during the year	-	-	-	-
At March 31, 2017 **	**85,00,000**	**850.00**	**3,75,000**	**375.00**

Equity Shares of Rs. 10/- each issued, subscribed & fully paid up	No.	Rs. Lakhs	No.	Rs. Lakhs
At April 1, 2015	**65,00,000**	**650.00**	**1,25,000**	**125.00**
Issue of Share Capital	-	-	(1,25,000)	(125.00)
At March 31, 2016	**65,00,000**	**650.00**	-	-
Issue of Share Capital	-	-	-	-
At March 31, 2017	**65,00,000**	**650.00**	-	-

** Pursuant to the amalgamation of Amex Irons Private Limited (a wholly owned subsidiary of Swelect Energy Systems Limited) with the Company (Refer Note 34), the existing Authorised Share Capital of the Company has been altered as Rs.1,225 lakhs comprising 85,00,000 Equity Shares of Rs.10/- each and 3,75,000 Equity Shares of Rs.100/- each.

a. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of the liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by

c. Terms/rights of redemption of 10% cumulative redeemable preference shares (CRPS)

During the year ended 31 March 2011, the Company issued 375,000 CRPS of `Rs 100 each fully paid-up share. CRPS carry cumulative dividend @ 10% p.a. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of CRPS is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to CRPS. The CRPS were fully redeemed as per contractual obligations during the year 2015-16

b. Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs.10/- each fully paid						
Swelect Energy Systems Limited	65,00,000	100.00%	65,00,000	100.00%	65,00,000	100.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

12 Other Equity

	31 March 2017	31 March 2016	01 April 2015
Capital subsidy	15.00	15.00	15.00
Capital redemption reserve	250.00	250.00	250.00
Retained earnings	388.16	789.27	930.53
Total	**653.16**	**1,054.27**	**1,195.53**

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AMEX ALLOYS PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2017
(All amounts are in INR Lakhs, except for share data or as otherwise stated)

13(a) Borrowings
Financial Liabilities carried at amortized cost (Non-current)

	31 March 2017	31 March 2016	01 April 2015
Finance lease obligation	2.42	4.97	12.54
Term loan from Banks	-	200.00	550.00
	2.42	204.97	562.54

Finance lease obligation is secured by hypothecation of vehicles taken on lease. The interest rate implicit in the lease is 7.72% p.a. The gross investment in lease, i.e., lease obligation plus interest, is payable in 60 monthly instalments.

The above amount includes			
Secured borrowings	2.42	204.97	562.54
Unsecured borrowings	-	-	-

13(b) Borrowings
Financial Liabilities carried at amortized cost (Current)

	31 March 2017	31 March 2016	01 April 2015
Working capital demand loans	1,021.45	1,014.10	989.95
Packing Credit Foreign Currency (PCFC)	869.06	888.08	771.15
Buyer's credit	251.91	264.83	241.69
Inter Corporate Borrowings	5,130.73	3,938.88	2,495.56
Total Current Borrwoings	7,273.15	6,105.89	4,498.35
Aggregate Secured loans	2,142.42	2,167.01	2,002.79
Aggregate Unsecured loans	5,130.73	3,938.88	2,495.56

13(c) Terms of borrowings

Loans as on March 31, 2017	Amount in lakhs	Effective Interest Rate	Loan Curency	Repayable	Security
Working capital demand loans	1,021.45	7.50%	INR	On demand	Fixed deposit
Packing Credit Foreign Currency (PCFC)	869.06	2.00%	Euro	Repayable within 6 months from the date of the loan	Fixed deposit
Buyer's credit	251.91	1.60%	USD and EUR	Repayable within 6 months from the date of the loan	Fixed deposit
Term loan - 1 (Refer Note 14)	125.00	6.30%	INR	Repayable in quarterly instalments of Rs.62.50 lakhs, ending July 2017	Fixed deposit
Term loan - 2 (Refer note 14)	75.00	6.30%	INR	Repayable in quarterly instalments of Rs.25 lakhs, ending December 2017	Fixed deposit
Inter Corporate Borrowings	5,130.73	10.00%	INR	On demand	Unsecured
Total	**7,473.15**				

14 Other Financial Liabilities

	31 March 2017	31 March 2016	01 April 2015
Other financial liabilities at amortised cost			
Current maturities of long-term debt (Refer Note 13 (c))	202.55	357.62	158.00
10% Cumulative Redeemable Preference Shares Issued	-	-	125.00
Interest accrued	4.29	1.03	0.25
Capital creditors	895.17	916.89	1,141.34
Dividend of 10% on Cumulative Redeemable Preference Shares	-	-	25.00
Dividend Distribution tax on proposed preference dividend	-	-	4.41
Total other financial liabilities	1,102.01	1,275.54	1,454.00
Total current	1,102.01	1,275.54	1,454.00

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, except for share data or as otherwise stated)

15 Provisions

	31 March 2017	31 March 2016	01 April 2015
Current provisions			
Provision for gratuity	-	-	0.95
Total (A)	**-**	**-**	**0.95**

	31 March 2017	31 March 2016	01 April 2015
Non Current provisions			
Provision for gratuity (refer note 28)	9.22	1.85	14.90
Total (B)	**9.22**	**1.85**	**14.90**
Total (A)+(B)	**9.22**	**1.85**	**15.85**

16 Trade payables

	31 March 2017	31 March 2016	01 April 2015
Trade payables	1,189.84	873.59	1,109.41
Trade payables to related parties	44.70	25.94	8.77
(refer note below regarding dues to micro, small and medium enterprises)			
	1,234.54	**899.53**	**1,118.18**

Note:

There is no overdue amount payable to Micro, Small and Medium Enterprises as defined under "The Micro Small and Medium Enterprises Development Act, 2006". Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the year.

17 Other current liabilities

	31 March 2017	31 March 2016	01 April 2015
Employee benefits payable	74.98	75.63	-
Advance from customers	17.39	17.22	4.64
Statutory dues payable	40.92	39.36	31.66
	133.29	**132.21**	**36.30**

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

18 Revenue from operations

	31 March 2017	31 March 2016
Revenue from operations		
Sale of products (including excise duty)		
Manufactured goods	6,905.14	7,507.88
Traded goods	39.50	23.69
Other operating revenue		
Scrap sales	58.34	51.30
Other	100.77	134.01
Revenue from operations	**7,103.75**	**7,716.88**

19 Other income

	31 March 2017	31 March 2016
Exchange differences (net)	-	2.03
Other non-operating income	72.03	60.24
	72.03	**62.27**

20 Finance income

	31 March 2017	31 March 2016
Interest income on financial assets carried at amortised cost	113.68	84.29
	113.68	**84.29**

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

21 Cost of raw material and components consumed

	31 March 2017	31 March 2016
Inventories at the beginning of the year	276.21	388.96
Add: Purchases	3,285.74	3,294.17
	3,561.95	**3,683.13**
Less: inventories at the end of the year	386.34	276.17
Cost of raw material and components consumed	**3,175.61**	**3,406.96**

22 Decrease/ (increase) in inventories of work-in-progress and finished goods

	31 March 2017	31 March 2016
Inventories at the end of the year		
Work-in-progress	554.76	506.91
Finished goods	119.16	133.42
	673.92	**640.33**
Inventories at the beginning of the year		
Work-in-progress	506.91	636.54
Finished goods	133.42	77.38
	640.34	**713.92**
	(33.58)	**73.59**

23 Employee benefits expense

	31 March 2017	31 March 2016
Salaries, wages and bonus	790.62	764.23
Contribution to provident and other funds	60.12	61.18
Gratuity expense (refer note 28)	14.49	11.21
Staff welfare expenses	51.22	57.44
	916.45	**894.06**

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

24 Other expenses

	31 March 2017	31 March 2016
Sub-contracting and processing expenses	810.01	790.84
Power and fuel	747.93	752.83
Freight and forwarding charges	72.59	63.67
Rent	177.53	176.13
Rates and taxes	40.55	31.00
Insurance	9.41	9.70
Repairs and maintenance		
- Plant & machinery	115.95	104.60
- Buildings	10.35	15.50
- Others	7.62	13.46
Sales promotion	4.94	9.62
Travelling and conveyance	44.99	40.05
Communication costs	9.32	9.41
Printing and stationery	9.95	9.20
Exchange differences (net)	74.83	79.94
Legal and professional fees	26.63	34.40
Payment to auditor (Refer details below)	6.21	6.23
Provision for bad and doubtful debts	-	12.53
Bad debts/advances written off	-	4.84
Miscellaneous expenses	18.09	19.86
	2,186.90	**2,183.81**

Payment to auditor		
As auditor:		
Audit fee	5.50	5.50
Reimbursement of expenses *	0.71	0.73
	6.21	**6.23**

The above fee is exclusive of Service tax

* Includes service tax

25 Depreciation and amortisation expense

Depreciation of tangible assets	352.49	368.65
Amortisation of intangible assets	3.10	3.47
	355.59	**372.12**

26 Finance costs

Interest on debts and borrwoings	557.81	522.71
Bank and other charges	20.38	18.01
	578.19	**540.72**

27 Loss per share (EPS)

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

	31-Mar-17	31-Mar-16
Profit attributable to equity holders of the company (a)	(401.11)	(141.26)
Weighted average number of Equity shares for basic and diluted EPS (b)	6,500,000	6,500,000
Basic and Diluted Loss Per Share (a/b)	(6.17)	(2.17)

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

28 Defined Contribution Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an Insurance Company in the form of a qualifying insurance policy.

	31 March 2017	31 March 2016
Employer's Contribution to Provident Fund	60.12	61.18

Defined Benefits Plan — **Gratuity Plan (funded)**

Reconciliation of opening and closing balances of obligation

	31 March 2017	31 March 2016
Defined Benefit obligation as at the beginning of the year	61.88	47.77
Current Service Cost	14.49	10.14
Interest Cost	4.79	3.16
Actuarial loss	-	2.05
Benefits paid	(8.01)	(1.24)
Defined Benefit obligation as at the end of the year	**73.15**	**61.88**

Reconciliation of opening and closing balances of fair value of plan assets

	31 March 2017	31 March 2016
Fair value of plan assets as at the beginning of the year	60.03	46.25
Expected return on plan assets	4.79	4.14
Actuarial gain	-	-
Employer's contribution	1.60	10.88
Benefits paid	(2.48)	(1.25)
Fair value of plan assets as at the end of the year	**63.93**	**60.03**

Actual Return on plan assets

	31 March 2017	31 March 2016
Expected return on plan assets	4.79	4.14
Actuarial gain on plan assets	-	-
Actual return on plan assets	4.79	4.14

Reconciliation of fair value of assets and obligations

	31 March 2017	31 March 2016
Fair value of plan assets	63.93	60.03
Present value of obligation	73.15	61.88
Difference	9.22	1.85

Expense recognized during the year

	31 March 2017	31 March 2016
Recognized in profit or loss:		
Current service cost	14.49	10.14
Interest cost	4.79	3.16
Expected return on plan assets	(4.79)	(4.14)
Actuarial (gain) / losses	-	2.05
Net Cost	14.49	11.21

(All amounts are in INR Lakhs, unless otherwise stated)

29 The major categories of plan assets of the fair value of the total plan assets are as follows:

	Gratuity plan		
	31 March 2017	**31 March 2016**	**01 April 2015**
Investments details:			
Funds with LIC	63.93	60.03	46.25
Total	63.93	60.03	46.25

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

	31 March 2017	31 March 2016	01 April 2015
Discount rate:	7.34%	8.00%	8.00%
Future salary increases:	5.00%	5.00%	5.00%
Expected Return on Plan Assets:	8.00%	8.00%	8.00%
Employee turnover:	5.00%	5.00%	5.00%
Contribution Expected to be paid during the next year	9.22	1.60	10.55

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

Gratuity plan:

	31 March 2017			
Assumptions - Sensitivity Level	**Sensitivity Level**		**Impact on defined benefit obligation**	
	1% increase	1% decrease	Amount	Amount
Discount rate:	8.34%	6.34%	73.87	71.95
Future salary increases:	6.00%	4.00%	73.51	72.34
Expected Return on Plan Assets:	9.00%	7.00%	71.02	74.67
Employee turnover:	6.00%	4.00%	70.92	74.98

	31 March 2016			
Assumptions - Sensitivity Level	**Sensitivity Level**		**Impact on defined benefit**	
	1% increase	1% decrease	Amount	Amount
Discount rate:	8.34%	6.34%	62.50	61.09
Future salary increases:	6.00%	4.00%	63.07	60.29
Expected Return on Plan Assets:	9.00%	7.00%	60.81	62.63
Employee turnover:	6.00%	4.00%	60.17	62.85

30 Commitments and Contingences

Leases

Operating leases: Company as lessee

Particulars	**31 March 2017**	**31 March 2016**	**1 April 2015**
Lease payments for the year	177.53	176.13	123.44

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

31 Related party transactions

1. Names of related parties

Holding Company	Swelect Energys Systems Limited
Fellow Subsidiaries	Swelect Energy Systems Pte. Limited., Singapore SWELECT Inc , USA SWELECT Energy Systems Inc , USA Swelect Solar Energy Private Limited Noel Media & Advertising Private Limited Swelect Green Energy Solutions Private Limited K J Solar Systems Private Limited (w.e.f. 11 Feb 2016)
Key Management Personnel	Mr. R. Chellappan - Director Mr. V.C.Raghunath - Director

Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2016, 2015 : Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

S.R. Batliboi & Associates LLP * Chartered Accountants * Chennai

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

31 **Related party transactions**

Particulars	Holding company		Fellow Subsidiary		Total	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Purchase of goods	-	**4.49**	-	-	-	**4.49**
-- Swelect Energy Systems Limited	-	4.49	-	-	-	4.49
Purchase of Power	**193.42**	**329.46**	**191.53**	-	**384.95**	**149.00**
-- Swelect Energy Systems Limited	193.42	329.46	-	-	193.42	149.00
-- Swelect Green Energy Solutions Private Limited	-	-	191.53	-	191.53	-
Reimbursement of expenses	**43.21**	**78.47**	**49.03**	-	**92.24**	**33.00**
-- Swelect Energy Systems Limited	43.21	78.47	-	-	43.21	33.00
-- Swelect Green Energy Solutions Private Limited	-	-	49.03		49.03	-
Rental Expense	**171.13**	**170.59**	**7.44**	**7.44**	**178.57**	**72.85**
-- Swelect Energy Systems Limited	171.13	170.59	-	-	171.13	65.41
-- Swelect Green Energy Solutions Private Limited	-	-	7.44	7.44	7.44	7.44
Facility Management fees	-	-	**0.94**	**0.94**	**0.94**	**0.94**
-- Swelect Green Energy Solutions Private Limited	-		0.94	0.94	0.94	0.94
Interest Expense	**349.91**	**289.41**	-	-	**349.91**	**57.79**
-- Swelect Energy Systems Limited	349.91	289.41	-	-	349.91	57.79
Advances Received	**1,899.60**	**3,464.72**	-	-	**1,899.60**	-
-- Swelect Energy Systems Limited	1,899.60	3,464.72	-	-	1,899.60	-
Repayment of advances	**707.76**	**2,021.40**	-	-	**707.76**	-
-- Swelect Energy Systems Limited	707.76	2,021.40	-	-	707.76	-
Maximum Amount outstanding during the year	**5,130.73**	**3,938.88**	-	-	**5,130.73**	-
-- Swelect Energy Systems Limited	5,130.73	3,938.88	-	-	5,130.73	-

(All amounts are in INR Lakhs, unless otherwise stated)

31 Related party transactions

Particulars	Holding company			Fellow Subsidiary			Total		
	31-Mar-17	**31-Mar-16**	**31-Mar-15**	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**
Balance outstanding as at the year end:									
Trade payables / Payable for capital purchases	**889.40**	**898.38**	**1,073.42**	**44.70**	**25.94**	**8.77**	**934.10**	**924.32**	**1,082.19**
-- Swelect Energy Systems Limited	889.40	898.38	1,073.42	-	-	-	889.40	898.38	1,073.42
-- Swelect Green Energy Solutions Private Limited	-	-	-	44.70	25.94	8.77	44.70	25.94	8.77
Advance received from related parties	**5,130.73**	**3,938.88**	**2,495.56**	-	-	-	**5,130.73**	**3,938.88**	**2,495.56**
-- Swelect Energy Systems Limited	5,130.73	3,938.88	2,495.56	-	-	-	5,130.73	3,938.88	2,495.56
Advance Paid to related parties	**10.36**	**11.32**	-	-	-	-	**10.36**	**11.32**	-
-- Swelect Energy Systems Limited	10.36	11.32	-	-	-	-	10.36	11.32	-

AMEX ALLOYS PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2017
(All amounts are in INR Lakhs, unless otherwise stated)

32 Contingent liabilities

Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums/authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements.

The Company's pending litigations comprise of proceedings pending with tax authorities. The Company has reviewed all the proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its financial statements.The Company does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

	31 March 2017	31 March 2016
Claims against the Company not acknowledged as debts		
Excise related matters	24.76	24.76
	24.76	**24.76**

33 Capital and other commitments

(a) Commitments relating to lease arrangements, please refer to note 30.

34 Disclosure related to Specified Bank Note (SBN)

Note below mentioned on the details of the the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016.

₹ Lakhs

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	8.12	0.69	8.81
(+) Permitted receipts	-	5.90	5.90
(-) Permitted payments	-	(4.15)	(4.15)
(-) Amount deposited in Banks	(8.12)	-	(8.12)
Closing cash in hand as on 30th December, 2016	-	2.44	2.44

AMEX ALLOYS PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2017
(All amounts are in INR Lakhs, unless otherwise stated)

35 Business combinations under common control

Merger with Amex Irons Private Limited

The Board of Directors of the Swelect Energy Systems Limited at its meeting held in November 2015 approved a Scheme of Arrangement ("the Scheme") enabling the merger of two of its wholly owned subsidiaries, namely Amex Alloys Private Limited ("Alloys") and Amex Irons Private Limited ("Irons"), with effect from 1 April 2015 ("Appointed Date"). The Scheme of Arrangement has been approved by the shareholders and creditors of the Company and approved by the Madras High Court vide order dated 1 June 2016, Accordingly, the effect of the above scheme has been given to the standalone results with effect from 1 April, 2015 under the requirement of 'IND AS 103 Business Combination'.

The business combination was considered to obtain synergies and lead as an integrated vertical in the Casting business.

Assets acquired and liabilities assumed:

The values of the identifiable assets and liabilities of Irons as at the date of acquisition were:

	Value recognised on acquisition
Assets	**Amount in lacs**
Non- current assets	
Property, Plant and Equipment	871.11
Capital work-in-progress	5.76
Intangible assets	-
Loans	63.56
Income Tax Asset (Net)	12.86
Other Non-current assets	5.07
Total Non-current Assets	**958.36**
Current Assets	
Inventories	178.82
Current Financial Assets	
Trade receivables	680.36
Cash and cash equivalents	599.13
Other financial assets	24.28
Other Current assets	19.80
Total current assets	**1,502.39**
Total Assets	**2,460.75**
Liabilities	
Trade payables	353.11
Non-current provisions	14.89
Other Liabilities	17.84
Current liabilities	
Financial Liabilities	
Borrowings	2,046.44
Current provisions	0.95
Reserves	
Capital Subsidy	15.00
Reserves and Surplus	(537.48)
Total Liabilities	**1,910.75**
Total identifiable net assets (A)	**550.00**
Extinguishment of shares held in Irons	550.00
Total consideration (B)	**550.00**
Adjustment arising on merger adjusted in retained earnings (B - A)	-

36 Significant accounting judgements, estimates and assumptions

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

Judgements

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

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Estimates and assumptions

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

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Deferred income taxes

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

Impairment of financial assets

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

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about defined benefit obligations are given in Note 28.

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Notes to financial statements for the year ended 31 March 2017
(All amounts are in INR Lakhs, unless otherwise stated)

37 Financial Risk Management Objectives & Policies

Financial risk management objectives and policies

The Company's principal financial liabilities comprise of short tenured borrowings, trade and other payables and financial guarantee contracts. Most of these liabilities relate to financing Company's working capital cycle. The Company has trade and other receivables, loans and advances that arise directly from its operations.
The Company is accordingly exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees management of these risks. The senior professionals working to manage the financial risks for the Company are accountable to the Board of Directors and the Audit Committee. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and overall risk appetite. In addition, independent views from bankers and currency market experts are obtained periodically to validate risk mitigation decisions. It is the Company's policy that no trading in
The Audit Committee review and agree policies for managing each of these risks which are summarised below:

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise currency rate risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, advances.

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rate movement.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily Euro.. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as per its established risk management policy. The Company has a natural hedge whereby the receivables in Euro and hence does not undertake any separate hedging activity.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity in the USD, Euro and other currencies to the functional currency of the Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

Particulars	Change in currency exchange rate	Effect on profit before tax		Effect on equity	
		For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
US Dollars	+5%	(144.22)	(193.07)	(144.22)	(193.07)
	-5%	144.22	193.07	144.22	193.07
Euro	+5%	(393.10)	(13.37)	(393.10)	(13.37)
	-5%	393.10	13.37	393.10	13.37

Credit Risk

Credit risk is the risk that a counter party 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 deposits with banks, foreign exchange transactions and other financial instruments.

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1. Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Debtors outstanding		Total
	Less than 180 days	More than 180 days	
Trade Receivables as of March 31, 2017	1,558.15	265.74	1,823.89
Trade Receivables as of March 31, 2016	1,914.31	76.63	1,990.94

The requirement for impairment is analysed at each reporting date.

2. **Financial instruments and cash deposits**

Credit risk from balances with banks is managed by Company's treasury in accordance with the Board approved policy.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet it cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across various debt and hybrid instruments.

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

Particulars	As of March 31, 2017		
	Less than 1 year	More than 1 year	Total
Borrowings	7,273.15	2.42	7,275.57
Trade Payables	1,234.54	-	1,234.54
Other current liabilities	133.29	-	133.29
Other financial liabilities	1,102.01	-	1,102.01
Provisions	-	9.22	9.22
Total	**9,742.99**	**11.64**	**9,754.63**

Particulars	As of March 31, 2016		
	Less than 1 year	More than 1 year	Total
Borrowings	6,105.89	204.97	6,310.86
Trade Payables	899.53	-	899.53
Other current liabilities	132.21	-	132.21
Other financial liabilities	1,275.54	-	1,275.54
Provisions	-	1.85	1.85
Total	**8,413.17**	**206.82**	**8,619.99**

38 Capital Management

Capital includes equity attributable to the equity holders of the Company and net debt. Primary objective of Company's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments, in light of the changes in economic conditions or business requirements. The Company monitors capital using a gearing ratio which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

Gearing Ratio:

Particulars	31st March 2017	31st March 2016	1st April 2015
Borrowings	7,275.57	6,310.86	5,060.89
Less: Cash and cash equivalents	(1,586.14)	(839.75)	(163.55)
Net Debt	**5,689.43**	**5,471.11**	**4,897.34**
Equity	1,303.16	1,704.27	1,845.53
Total Capital	**1,303.16**	**1,704.27**	**1,845.53**
Capital and Net Debt	6,992.59	7,175.38	6,742.87
Gearing Ratio	81.36%	76.25%	72.63%

39 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended March 31, 2016.

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

a) Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its Property, plant and Equipment and Intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date.

b) Estimates
The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from fair value through profit and loss – equity instruments and Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2015 (i.e. the date of transition to Ind-AS) and as of 31 March 2016.

AMEX ALLOYS PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2017
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Reconciliation of equity as at April 1, 2016

Particulars	Notes	Previous Indian GAAP	Other IND AS adjustments	Ind AS amounts
1. Non Current assets				
Property, Plant & Equipment	B	5,357.11	(210.42)	5,146.69
Capital Work in Progress		11.95	-	11.95
Intangible Assets		9.66	-	9.66
Financial Assets				
-Loans		117.59	-	117.59
Income Tax Assets		85.29	-	85.29
Other non-current assets		366.59	-	366.59
Total Non Current Assets		**5,948.19**	**(210.42)**	**5,737.77**
2. Current assets				
Inventories		916.50	-	916.50
Financial Assets				
-Trade Receivables		1,990.94	-	1,990.94
-Cash & cash Equivalents		839.75	-	839.75
-Other bank balance		651.94	-	651.94
-Other Financial Assets		28.23	-	28.23
Other Current Assets		159.13	-	159.13
Total Current Assets		**4,586.49**	**-**	**4,586.49**
Total Assets		**10,725.12**	**(210.42)**	**10,324.26**
Equity and liabilities				
1. Equity				
Equity Share Capital		650.00	-	650.00
Other Equity	A,B	927.18	127.09	1,054.27
Total Equity		**1,577.18**	**127.09**	**1,704.27**
2. Non-Current Liabilities				
Financial Liabilities				
-Loans and Borrowings		204.97	-	204.97
Long term Provisions		1.85	-	1.85
Deferred tax	A	186.49	(186.49)	-
Total - Non-current liabilities		**393.31**	**(186.49)**	**206.82**
3. Current Liabilities				
Financial Liabilities				
-Loans and Borrowings		6,105.89	-	6,105.89
-Trade Payables		899.53	-	899.53
-Other current financial liabilities	B	1,426.56	(151.02)	1,275.54
Other Current Liabilities		132.21	-	132.21
Total - Current liabilities		**8,564.19**	**(151.02)**	**8,413.17**
TOTAL - EQUITY AND LIABILITIES		**10,725.12**	**(210.42)**	**10,324.26**

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AMEX ALLOYS PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2017
(All amounts are in INR Lakhs, unless otherwise stated)

Reconciliation of equity as at April 1, 2015 (date of transition to Ind AS)

Particulars	Notes	Previous Indian GAAP	Other IND AS adjustments	Ind AS amounts
1. Non Current assets				
Property, Plant & Equipment		5,228.99	-	5,228.99
Capital Work in Progress		5.76	-	5.76
Intangible Assets		6.68	-	6.68
Financial Assets				
-Loans		133.90	-	133.90
Income Tax Assets		43.67	-	43.67
Other non-current assets		7.41	-	7.41
Total Non Current Assets		**5,426.41**	**-**	**5,426.41**
2. Current assets				
Inventories		1,102.88	-	1,102.88
Financial Assets				
-Trade Receivables		1,576.31	-	1,576.31
-Cash & cash Equivalents		163.55	-	163.55
-Other bank balance		600.13	-	600.13
-Other Financial Assets		24.28	-	24.28
Other Current Assets		637.19	-	637.19
Total Current Assets		**4,104.34**	**-**	**4,104.34**
Total Assets		**9,530.75**	**-**	**9,530.75**
Equity and liabilities				
1. Equity				
Equity Share Capital	C	775.00	(125.00)	650.00
Other Equity	A	1,009.04	186.49	1,195.53
Total Equity		**1,784.04**	**61.49**	**1,845.53**
2. Non-Current Liabilities				
Financial Liabilities				
-Loans and Borrowings	C	562.54	125.00	562.54
Long term Provisions		14.90	-	14.90
Deferred tax liabilities (net)	A	186.49	(186.49)	-
Total - Non-current liabilities		**763.93**	**(61.49)**	**577.44**
3. Current Liabilities				
Financial Liabilities				
-Loans and Borrowings		4,498.35	-	4,498.35
-Trade Payables		1,118.18	-	1,118.18
-Other Payables		-	-	-
-Other current financial liabilities		1,454.00	-	1,454.00
Provisions		0.95	-	0.95
Other Current Liabilities		36.30	-	36.30
Total - Current liabilities		**6,982.78**	**-**	**7,107.78**
TOTAL - EQUITY AND LIABILITIES		**9,530.75**	**-**	**9,530.75**

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Chennai
Chartered Accountants

AMEX ALLOYS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in INR Lakhs, unless otherwise stated)

Reconciliation of profit or loss for the year ended March 31, 2016

Rs. In lacs

Particulars	Notes	Previous Indian GAAP	Other IND AS adjustments	Ind AS amounts
Income				
Revenue from operations		7,716.88	-	7,716.88
Other Income		62.27	-	62.27
Finance Income		84.29	-	84.29
Total revenue		**7,863.44**	-	**7,863.44**
Expenses				
Cost of raw material and components consumed and Project related cost		3,406.96	-	3,406.96
Purchase of traded goods		18.80	-	18.80
(Increase)/ decrease in inventories of Finished goods,work-in-progress and traded goods		73.59	-	73.59
Excise Duty on sale of goods		514.64	-	514.64
Employee benefits expense		894.06	-	894.06
Depreciation and amortization expense	B	380.89	(8.77)	372.12
Finance costs	B	472.55	68.17	540.72
Other expenses		2,183.81	-	2,183.81
Total (II)		**7,945.30**	**59.40**	**8,004.70**
Profit/(Loss) before exceptional items and tax		**(81.86)**	**(59.40)**	**(141.26)**
Exceptional items (net)		-	-	-
Profit after Exceptional items before Tax		**(81.86)**	**(59.40)**	**(141.26)**
Income tax expense		-	-	-
Profit for the year		**(81.86)**	**(59.40)**	**(141.26)**
Other Comprehensive Income		-	-	-
Total Comprehensive Income		**(81.86)**	**(59.40)**	**(141.26)**

A Deferred Tax

The various transitional adjustments lead to temporary differences, which the Company has to account for. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

B Capital Payables / Property, Plant & Equipment

The Company identifies Capital payables which are due beyond a period of twelve months as of the reporting date and has discounted the same to its present value over the estimated tenure of the retention period. The impact of discounting has been adjusted to the retained earnings on transition date and has been recognised as finance expense in the statement of profit and loss for the year ended March 31, 2016 on account of unwinding.

C Preference share capital

10% Cumulative Redeemable preference shares issued were classified as part of shareholders Equity under Indian GAAP. However the same is classified as debt raised carried at amortised cost under Ind AS, carrying an interest rate of 10%, which represents the market rate of interest.

40 Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued in February 2015 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after April 1, 2018. The Company will adopt the new standard on the required effective date. During the current year, the Company performed a preliminary assessment of Ind AS 115, which is subject to changes arising from a more detailed ongoing analysis.

41 Previous year figures have been regrouped/reclassified, whereever necessary, to conform to the current year's classification.

For S.R Batliboi & Associates LLP
ICAI Firm Registration number 101049W/E300004
Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

Place: Chennai
Date: 22 May 2017

For and on behalf of the board of directors

R.Chellappan
Director

Place: Chennai
Date: 22 May 2017

V.C. Raghunath
Director

Place: Chennai
Date: 22 May 2017