PHOENIX
INTERNATIONAL
LIMITED
3rd/4th FLOOR, GOPALA TOWER, 25 RAJENDRA PLACE, NEW DELHI-110008(INDIA)
TEL. : (91-11) 2574 7696, 2575 1934/35/36, FAX : (91-11) 2575 1937

Ref:-**PINTL/SEC/AGM-2018-OUTCOME/** **28.09.2018**

To
BSE Ltd
Department of Corporate Services
1st Floor, P J Tower, Dalal Street, Mumbai - 400001

Dear Sir

Sub: - OUTCOME/PROCEEDING OF 31ST ANNUAL GENERAL MEETING OF THE COMPANY

Scrip Code:- BSE- 526481

We would like to inform that the 31st Annual General Meeting of the company was convened at 10.00 AM on Friday, the 28th Day of September 2018 at LOK KALA MANCH, 20 INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI – 110003 pursuant to the provisions of the Companies Act, 2013 necessary quorum was present to consider the matter as specified in the notice of the 31st Annual General Meeting.
Summary of proceeding as required under the Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
The following items of business as per Notice of the AGM were transacted

Item No	***Resolutions***
1	***ORDINARY BUSINESS*** *To adopt Audited Financial Statements of the Company (including Audited consolidated financial statements) for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon*
2	*To appoint Director in place of Mr. Narendra Aggarwal (DIN: 00027347), who retires by rotation and being eligible, offers himself for reappointment*
3	*To re-appoint Auditors Pradip Bhardwaj & Co and fix their remuneration*

The result of the resolution as mentioned in the Notice placed before the said general meeting will be sent to you alongwith the Scrutinizer Report immediately on receipt of the same.

You are requested to kindly take the same on records and acknowledge the receipt of the same.

We are also enclosing herewith the Soft Copy of Annual Report for your record accordingly

Thanking You,

Yours faithfully,
For ***PHOENIX INTERNATIONAL LIMITED***

NARENDER MAKKAR (DIN-00026857)
Director & Company Secretary

PHOENIX INTERNATIONAL LIMITED

PHOENIX

31st
Annual Report
2017-2018

PHOENIX INTERNATIONAL LIMITED

CIN : L74899DL1987LC030092

Regd. off. : 3rd Floor, Gopala Tower 25, Rajendra Place, New Delhi-110008

BOARD OF DIRCTOR

Mr. Jitender Pancharia, Non Executive and Independent Director
Mr. Narendra Agarwal, Director
Mr. Narender Makkar, Executive Director
Mr. P.M. Alexander, Director
Mrs. Rekha Mittal, Non Executive and Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Krishna Kumar Venkataramani, Chief Executive Officer
Mr. Baby Kutty Daniel, Chief Finance Officer

COMPANY SECRETARY

Mr. Narender Makkar

AUDITORS

M/s Pradip Bhardwaj & Co.
LG-47, Ansal Fortune Arcade
Sector-18, Noida(U.P)-201301

REGISTRAR & TRANSFER AGENT

Mas Services Ltd.
T-34, 2nd Floor,
Okhla Industrial Area, Phase-II
New Delhi-110020

REGISTERED OFFICE

3rd Floor, Gopala Tower 25, Rajendra Place,
New Delhi-110008

WORKS

Door No. 35/1, Ground Floor,
Five Furlons Road, Maduvankarai, Guindy, Chennai-600032
Telephone : 044-2240638

CONTENTS **PAGE NO.**

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their 31st Annual Report on the business and operations of the Company along with the Audited Accounts for the Financial Year ended March 31, 2018.

1. **Financial summary or highlights/Performance of the Company**

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2018	Year Ended 31.03.2017	**Year Ended 31.03.2018**	Year Ended 31.03.2017
Sales & Other Income	**3964.75**	4241.41	**3,964.75**	4,241.41
Profit / (Loss) before Depreciation	**464.71**	265.18	**454.19**	256.82
Less Depreciation	**357.02**	357.47	**357.02**	357.47
Profit / (Loss) after Depreciation but before Extra Ordinary Items	**107.69**	(92.29)	**97.17**	(100.65)
Add: Extra Ordinary Items	**-**	-	**-**	-
Profit / (Loss) after Extra Ordinary Items – but before Tax	**107.69**	(92.29)	**97.17**	(100.65)
Less: Provision for Income Tax/ Deferred Tax Liability	**(82.36)**	(19.38)	**(82.36)**	(19.38)
Profit / (Loss) After Tax	**190.05**	(72.90)	**179.53**	(81.26)

2. **Dividend**

To implement the plans and to expand the business activities, your Directors do not recommend any dividend for the financial year ended March 31, 2018.

3. **Reserves**

The Board has not proposed any amount to carry to any reserves

4. **Performance**

On Standalone basis, revenue from operations for FY 2017-18 were Rs. 39.64 Crore as compared to Rs.42.41 Crore in FY 2016-17. Profit after tax for the year was Rs.197.21 lacs as compared to Rs. (66.73) lacs in FY 2016-17

5. **Brief description of the Company's working during the year/State of Company's affair**

The division wise working details are as under

Particulars		Rentals Figures In Lakhs	Shoes Figures In Lakhs
1	Sales	1631.00	2266.09
2	Profit	51.08	129.15

6. **Change in the nature of business, if any**

There were no changes in the nature of business of the Company.

7. **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There are no material changes and commitments which have occurred between the end of the financial year of the company to which the financial statement relate and the date of the report, which may affect the financial position of the company.

8. **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There were no significant and material orders passed by any regulators or courts or tribunals which may impact the going concern status and company operation in future.

9. **Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The company has identified and documented all key financial controls which impact the financial statements, as part of its standing operating procedures (SOPs). The SOPs are designed for all critical processes across office where financial transactions are undertaken. The SOPs cover the standard processes, risks, key controls and each process is identified to process owner. The financial controls are tested for effectiveness through management ongoing monitoring and review and independently by the internal audit. In our view the internal financial controls, effecting financial statements are adequate and operating effectively.

10. Details of Subsidiary Companies

Phoenix Cement Limited and Phoenix Industries Limited are two subsidiaries companies.

There are no associate companies or joint venture companies as per the Companies Act, 2013.

Consolidated Financial Statements

As required under the SEBI Listing Regulations, consolidated financial statements of the Company and its subsidiaries, prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the consolidated financial statements of the Company. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of the subsidiary companies is attached to the financial statements in Form AOC-1. (Annexure-1) The Company will make available the said financial statements and related detailed information of the subsidiary companies upon the request by any member of the Company or its subsidiary companies. These financial statements will also be kept open for inspection by any member at the Registered Office of the Company. and the subsidiary companies. Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

11. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

The performance and financial position of the two subsidiary company are as under.

(in Rs.)

Performance	**Phoenix Cement Limited**	**Phoenix Industries Limited**
Income	-	-
Expenditure	(1,78,993)	(8,73,453)
Net Profit / (Loss)	(1,78,993)	(8,73,453)
Financial Position		
Share Capital	82,95,35,700	9,43,23,000
General reserves	(556,288,168)	(226,462,309)

12. Deposits

The Company has neither invited nor accepted any deposits from the public falling in the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 during the period under review. Accordingly, no disclosures are required in this regard by the Company.

13. Statutory Auditors

The Statutory Auditor M/s. Pradip Bhardwaj & Co, Chartered Accountant (ICAI Firm Registration No. 013697C), New Delhi, were re-appointed for further period of 5 years at the Annual General Meeting held on 28.09.2017, and they have expressed their desire for re-appointment. However in terms of provisions of provision of Section 139 (1) of Companies Act, 2013 and rules made there under, the re-appointment of Auditors is required to be retified by the Members of the Company at Annual General Meeting. The Company has received a letter from auditor confirming that they are eligible for re-appointment as auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013. Based on the recommendations of the Audit Committee and as per the provision of Section 139(1) of the Companies Act, 2013 and the Board of Directors of your Company proposes to retify the appointment of M/s. Pradip Bhardwaj & Co, Chartered Accountant (ICAI Firm Registration No. 013697C), New Delhi, as Statutory Auditors for further period till the conclusion of 33rd Annual General Meeting .

14. Auditors' Report

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

15. Share Capital

A) Issue of equity shares with differential rights

The Company has not issued any Equity Shares during the year under review.

B) Issue of sweat equity shares

The Company has not issued any Sweat Equity Shares during the year under review.

C) Issue of employee stock options

As the Company has not issued any Employee Stock Options during the year under review, hence there is nothing to disclose as required under Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

As the Company has not made provision of money for purchase of its own shares by Employee or by trustee for the benefit of employees during the year under review, hence there is nothing required to disclose the details as required under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014

E) Listing of Shares

The Equity Shares of the Company is listed with BSE Limited.

16. Extract of the Annual Return

As provided under Section 92(3) of the Act, the details forming part of the extract of the Annual Return is annexed herewith in Form MGT 9 **Annexure-2.**

17. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars as prescribed under sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in the 'Annexure–3, which is annexed hereto and forms a part of the Boards' Report. Foreign exchange earnings and Outgo:

Description	**Value in Rs.**
Earning in foreign currency/Export Sales	NIL
Remittance in foreign currency-material & others including travelling	NIL

18. Directors:

A) Appointment / Re-Appointment of Directors

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and provision of the Articles of Association of the Company, Mr. Narendra Aggarwal (DIN-00027347) Director of the Company, is liable to retire by rotation and being eligible offers himself for reappointment. The disclosures required pursuant to Regulation 36 of SEBI Listing Regulations are given in the Notice of the AGM, forming part of the Annual Report. Attention of the Members is invited to the relevant items in the Notice of the AGM and the Explanatory Statement thereto.

B) Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

KEY MANAGERIAL PERSONNEL

The following Directors/Executives continued as KMPs of the Company during Fiscal 2018:

Mr. Jitender Pancharia, Independent Director

Mrs. Rekha Mittal, Independent Director

Mr. Narender Kumar Makkar, Company Secretary

Mr. Narendra Aggarwal, Director

Mr. P M Alexander, Director

Mr. Krishna Kumar Venkataramani, Chief Executive Officer

Mr. Baby Kutty Daniel, Chief Finance Officer

GOVERNANCE GUIDELINES

During the year under review, the Company adhered to the Governance Guidelines on Board effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of directors, director remuneration, subsidiary oversight, Code of Conduct, Board effectiveness Review and Mandates of Board Committees.

Selection and procedure for nomination and appointment of Directors

The Nomination and Remuneration Committee ("NRC") is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements. The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidate's visà- vis the required competencies, undertake a reference and due diligence and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee. Criteria for Determining Qualifications, Positive Attributes and Independence of a Director The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read along with Schedule II of SEBI Listing Regulations, which is annexed as Annexure-4

REMUNERATION POLICY

The Company has in place a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Regulation 19 of SEBI Listing Regulations, and the same is annexed as Annexure-7

BOARD EVALUATION

Pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors. The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. The NRC reviewed the performance of the individual Directors, a separate meeting of Independent Directors was also held to review the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. This was followed by a Board Meeting that discussed the performance of the Board, its Committees and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of the programme for familiarisation of the Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters are put up on the website of the Company.

VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

19. Number of meetings of the Board of Directors

The Board of your Company met 4 times during the financial year ended 31.03.2018, the details of which are given in the Corporate Governance Report that forms the part of this Annual Report.

20. Committees of the Board

Currently, the Board has four committees:-

1. The Audit Committee,
2. The Risk Management Committee
3. The Nomination and Remuneration Committee
4. Stakeholders Relationship Committee

A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report Section of this Annual Report.

21) Particulars of loans, guarantees or investments under section 186

The details of Loans, Guarantees or Investments made under Section 186 of the Act during the year are given below:

Description	Phoenix Cement Limited	Phoenix Industries Limited
Advance Revocable	Rs.165.51 lacs	Rs. 226.87 lacs
Investment in shares	4,19,53,510 (Nos.)	84,32,300(Nos.)
	Rs. 13,08,46,956	Rs. 2,71,04,727

22. Particulars of contracts or arrangements with related parties:

All Related Party Transactions that were entered into during the year were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have an potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The policy on dealing with the Related Party Transactions intends to ensure that proper reporting, approval and disclosure process are in place for all transactions between the company and Related Parties. This policy specifically deals with the review and approval of Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length.

The Form AOC-2 pursuant to Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies Account) Rules, 2014 is set out as Annexure-5 to this report

23. PARTICULARS OF EMPLOYEES

The information on employees who were in receipt of remuneration of not less than Rs.60 lakhs during the year or Rs.5 lakhs per month during any part of the said year as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as the same is not applicable to the Company. Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are Annexed to the report as Annexure-6

24. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. Shalu Singhal & Co., a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as Annexure-8

25. Corporate Governance

A separate section on Corporate Governance forming part of the Board' Report along with the Certificate from the Auditors of the Company confirming compliance of Corporate Governance norms as stipulated in Regulation 34 of the SEBI Listing Regulations is included in the Annual Report..

26. Risk Management Policy

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive

and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy. The Internal Audit Department facilitates the execution of Risk Management Practices in the Company in the areas of Risk identification; assessement, monitoring, mitigation and reporting. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment & management procedures and status. The Company has policy to hedge most of the payments of Currency in order to reduce the risk of volatile international market of Foreign Exchange. All properties including building, plant, machinery, furniture, fixture, stock, and Stock in transit of the Company have been properly insured against all kinds of risk.

27. Directors' Responsibility Statement

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. Acknowledgements

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors
Phoenix International Limited

	Sd/-	**Sd/-**
Place: New Delhi	Narender Makkar	P M Alexander
Date: 13.08.2018	**Director & Company Secretary**	**Chairman**
	(DIN-00026857)	**(DIN-00050022)**

CHAIRMAN AND DIRECTOR CERTIFICATION

We, P M Alexander, Chairman and Narender Makkar, Director certify to the Board that:

We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2018, and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(a) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(b) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(c) We have indicated to the auditors and the Audit committee:-

(i) significant changes, if any, in internal control over financial reporting during the year:

(ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements:

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board of Directors
Phoenix International Limited

	Sd/-	**Sd/-**
Place: New Delhi	Narender Makkar	P M Alexander
Date: 13.08.2018	**Director & Company Secretary**	**Chairman**
	(DIN-00026857)	**(DIN-00050022)**

REPORT ON CORPORATE GOVERNANCE

(1) CORPORATE GOVERNANCE:

Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to building confidence of its various stakeholders and paving way for its long-term success. In Phoenix International Limited, Corporate Governance is defined as a systematic process by which companies are directed and controlled keeping in mind the long-term interests of all their stakeholders. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large. Corporate Governance has indeed assumed greater significance as the world has moved towards closer integration and free trade.

COMPANY'S PHILOSOPHY ON GOVERNANCE:

Your Company's philosophy on the Corporate Governance is founded upon a rich legacy of fair and transparent governance practices which are essentially aimed at ensuring transparency in all dealings and hence seeks to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. Your Company has continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies and prudent business plans, thereby ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities. The Company's comprehensive written code of conduct serves as a guide for your company and its employees on the standards of values, ethics and business principles, which should govern their conduct. Your company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Even in a fiercely competitive business environment that the Company is operating in, the management and employees of your Company are committed to uphold the core values of transparency, integrity, honesty and accountability, which are fundamental to the Company and for achieving Corporate Excellence.

CORPORATE GOVERNANCE PRACTICES:

The Company's Corporate Governance practices seek to go beyond the regulatory requirements and with a view to ensuring commitment to transparent, law abiding behaviour and good Corporate Governance, the Company has put in place the following practices:-

a) **Code of Conduct:**

The Company's Code of Conduct is based on the principle that business should be conducted in a professional manner with honesty, integrity and law abiding behaviour and thereby enhancing the reputation of the Company. The Code ensures lawful and ethical conduct in all affairs and dealings of the Company.

b) **Business Policies:**

The Business Policies of Company ensures transparency and accountability to its stakeholders. The policies provide motivation and support for professional development of employees, fair market practices and high level of integrity in financial reporting. The policies recognize Corporate Social Responsibility of the Company and also seek to promote health, safety and quality of environment.

c) **Prohibition of Insider Trading:**

The Code on prevention of Insider Trading, which applies to the Board Members and all officers and employees, seeks to prohibit trading in the securities of the Company based on unpublished price sensitive information. Trading window remains closed so long unpublished price sensitive information is not made public.

d) **Risk Management:**

The Company has developed and implemented a comprehensive risk management policy for risk identification, assessment and minimization procedure. The risk management procedures are clearly defined and periodically reviewed by the Board of Directors with a view to strengthening the risk management framework and to continuously review and reassess the risk that the Company may confront with.

e) **Environment Policy:**

The Company is committed to conducting its business in a manner that values the environment and helps to ensure the safety and health of all its employees and society at large. The policy is aimed towards strengthening pollution prevention and control measures.

f) **Equal Employment Opportunity:**

The employment policy of the Company assure that there shall be no discrimination or harassment against an employee or applicant on the grounds of race, colour, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations. The policy also ensures fair and respectful treatment of all fellow employees.

g) **Disclosure Policy**

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information as per the Listing Regulations, which is available on our website. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an ongoing basis.

h) **Policy for Preservation of Documents**

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents. A brief report on Corporate Governance for the year ended on 31st March 2018 is given below:

(2) Board of Directors

(A) Composition and Category of Directors

The Board of Directors comprises of 5 Directors as on 31st March, 2018, which includes one executive director, and four non executive directors including 1 woman director. All the Independent Directors have confirmed that they meet the 'independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Act and on the Committee positions held by them in other companies. The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI Listing Regulations is made available to the Board of Directors, for discussions and consideration at the Board Meetings. The Board reviews the declaration made by the Company Secretary regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliance, if any. All the agenda papers for the Board and Committee meetings are disseminated physically. The composition of Board of Directors, their attendance at Board Meetings during the year ended 31st March 2018, the last Annual General Meeting and their Directorships/Committee Memberships in other Companies as on 31st March 2018 is as follows:

(B) Details of Meeting of Board of Directors held during the year ended on 31st March, 2018

Name of the Directors	Category	No. of Board Meetings held during tenure	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorships in other Companies	As Member in Committees of other Companies	As Chairman in Committees of Other Companies
Mr. Narendra Agarwal	Director	4	4	YES	10*	3	NIL
Mr. Narender Makkar	Executive Director	4	4	YES	9**	4	NIL
Mr. P.M. Alexander	Non Executive Director	4	4	YES	13***	4	NIL
Mrs. Rekha Mittal	Non Executive and Independent Director	4	4	YES	NIL	-	NIL
Mr. Jitendra Pancharia	Non Executive and Independent Director	4	4	-	NIL	1	NIL

* Out of them 1 Directorships are in Private Limited Companies

** Out of them 2 Directorships are in Private Limited Companies

*** Out of them 5 Directorships are in Private Limited Companies

Notes:

1. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a Member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2018 have been made by the Directors. None of the Directors are related to each other.
2. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
3. Other directorships do not include directorships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act. Chairmanships/ Memberships of the Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.
4. The Company has proper systems to enable the Board of Directors to periodically review compliance reports of all laws applicable to the Company.
5. During the year 2017-2018, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.

(C) Details of Meetings of Board of Directors held during the year

Date of Board Meetings	No. of Directors Present
26.05.2017	5
26.08.2017	5
13.12.2017	5
13.02.2018	5

The maximum time gap between any two meetings did not exceed four calendar months.

Annual Independent Directors Meeting:

During the year under review, an annual Independent Directors meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on March 30, 2018, wherein all Independent Directors were present, to review the performance of the Non-Independent Non-Executive Directors including the Chairman of the Board and performance of the Board as a whole. The Non- Independent Directors did not take part in the meeting.

Board Effectiveness Evaluation:

Pursuant to the provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Act, Board evaluation involving evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman, was conducted during the year. For details pertaining to the same kindly refer to the Board's Report.

Familiarisation Programme:

Kindly refer to the Company's website for details of the familiarisation programme for Independent Directors in respect of their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

Information to the Board

The Company holds at least four board meetings in a year with at least one meeting in each quarter to review the quarterly financial results. The maximum gap between two board meetings is not more than four months. Agenda papers are circulated to the Board members well in advance. In addition to the specific matters which are taken at the Board meetings, the following information is also placed before the Board for its review:

- Annual Operating Plans and Capital budget and any updates in connection therewith.
- Minutes of the meetings of the Audit Committee and all other committees of the Board.
- Terms of reference of the Committees of the Board.
- Statutory Compliance Certificate.
- Information on appointment and resignation of senior officers of the Company.
- Show cause, demand, persecution notices and penalty notices of material importance.
- Any material default in financial obligations to and by the Company, or substantial non recovery for sale of goods by the Company.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Sale of a material nature, of investments and/or assets, which are not in the normal course of business.
- Any issue involving possible public or product liability claims of a substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company.

(D) Details of Directors seeking re-appointment at the ensuing Annual General Meeting

In respect of Directors seeking appointment or re-appointment, the relevant information, like brief resume of the Directors, nature of their expertise in specific, functional areas and names of the Companies in which they hold Directorship and Membership of any Committee of the Board is given as annexure to this report.

(3) Risk Management Committee

(A) Constitution

The Company has an Risk Management Committee and the terms of reference are in conformity with the powers as stipulated in Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Act.

The following were the members of the Committee during the year 2017-18

(A) Mr. Narendra Aggarwal	Director
(B) Mr. Jitendra Pancharia	Independent Director
(C) Mr. P. M. Alexander	Director

Mr. Narender Makkar, Company Secretary, is the Secretary of the committee.

(4) Audit Committee

(A) Constitution

The Company has an Audit Committee and the terms of reference are in conformity with the powers as stipulated in Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Act.

The following were the members of the Committee during the year 2017-18

(A) Mr. Narendra Aggarwal	Director
(B) Mr. Jitendra Pancharia	Independent Director
(C) Mr. P. M. Alexander	Director

Mr. Narender Makkar, Company Secretary, is the Secretary of the committee.

(B) Terms of Reference

The role of the Audit Committee of the Company include the following:;

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
   a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause
   c) of sub section 3 of Section 134 of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with listing and other legal requirements relating to financial statements.
   f) Disclosure of any related party transactions.
   g) Qualifications regarding audit reports
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing, the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing, the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Carrying out any other function as required.

The Auditors and the Key Managerial Personnel have a right to be heard in the meetings of the Audit Committee when it considers the Auditor's Report. The Audit Committee is also empowered, pursuant to its terms of reference, to :

a) Investigate any activity within its terms of reference and to seek any information it requires from any employee.
b) Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the Company.
c) Discuss any related issues with the internal and statutory auditors and the management of the Company.
d) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
e) Approve subsequent modification of transactions of the Company with related parties.
f) Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
g) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors.
h) Scrutinize the inter-corporate loans and investments and evaluate internal financial controls and risk management systems .
i) Oversee the vigil mechanism/whistle blower policy of the Company.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management.
- Management letters/letters of internal control weaknesses issued by the statutory auditors.
- Internal Audit Reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the chief internal auditor.

Whenever applicable, monitoring end use of funds raised through public issues, right issues, preferential issues by major category (capital expenditure, sales and marketing, working capital etc.), shall form a part of the quarterly declaration of financial results. In addition, the Audit Committee of the Board is also empowered to review the financial statements, in particular, the investments made by the unlisted subsidiary companies, in view of the requirements under Regulation 24 of the SEBI Listing Regulations.

No person has been denied access to the Committee. The minutes of the meetings of the Board of Directors of the unlisted subsidiary companies are periodically placed before the meeting of the Audit Committee of the Board of Directors of the Company.

(C) Meeting and Attendance during the year

Four meetings of the Committee were held during the year on 26.05.2017, 26.08.2017, 13.12.2017, 13.02.2018.

The attendance particulars are as follows:

Name of the Director	Position held	Meeting	
		Held	Attended
Mr. Jitendra Pancharia	Member	4	2
Mr. Narendra Aggarwal	Member	4	4
Mr. P. M. Alexander	Member	4	4

- Members of the Audit Committee are eminent persons in their fields having expertise in Finance and Accounting. Legal and Commercial

(5) Nomination and Remuneration Committee

Composition: The Company has a Nomination and Remuneration Committee which comprises of three members, of which one is non executive Director and two are Independent Directors.

- Mr. P.M. Alexander,
- Mr. Jitendra Pancharia and
- Mr. Narendra Aggarwal,

Mr. Narender Makkar, the Company Secretary, acts as Secretary of the Committee.

The terms of reference are in conformity with the provisions of Regulation 19 of the SEBI Listing Regulations, read with Section 178 of the Act.

The role of the Committee inter alia includes the following:

- Identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments/ removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees.
- Evaluate the performance of independent directors and the board of directors and to decide whether to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Devise a policy on Board diversity.

In accordance with the recommendation of the Committee, the Company has since formulated a Remuneration Policy for directors, key managerial personnel and other employees of the Company. The Committee is responsible for recommending the fixation and periodic revision of remuneration of the Managing Director. The Committee also decides on payment of commission to non-executive Directors and other senior managerial personnel. The performance evaluation criteria for non-executive including independent directors laid down by Committee and taken on record by the Board includes

a. Attendance and participation in the Meetings.

b. Preparedness for the Meetings.

c. Understanding of the Company and the external environment in which it operates and contributes to strategic direction.

d. Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.

e. Engaging with and challenging the management team without being confrontational or obstructionist.

The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the Directors who are subject to evaluation had not participated.

Meetings:

Two meetings of Nomination and Remuneration Committee were held on 30.05.2017 and 13.02.2018 during the year. Attendance at meeting during the year is as under.

DIRECTOR	NO. OF MEETINGS HELD DURING TENURE	NO. OF MEETINGS ATTENDED
1. Mr. P.M. Alexander	2	2
2. Mr. Jitendra Pancharia	2	1
3. Mr. Narendra Aggarwal	2	2

Remuneration to Directors

The details of the remuneration paid or payable to the Non- Executive Directors and the Executive Director have been given below.

(a)

Sr. No.	Name	Designation	All elements of Remuneration package i.e. Salary benefits bonus, pension etc
1.	Mr.Narender Makkar	Director & Company Secretary	25,92,000/-

(b)

Sr. No.	Name	Designation	Sitting Fees
1.	Mr Jitendra Pancharia *	Non - Executive Indepndent Director	Rs. 1,00,000/-
2.	Mrs. Rekha Mittal**	Non - Executive Indepndent Director	Rs. 1,00,000/-

No commission was paid to the Non- Executive Directors during the year ended 31st March, 2018.

(6) Stakeholders Relationship Committee (formerly termed as Share Transfer and Shareholders' /Investors' Grievance Committee)

Terms of Reference

The Company has a Stakeholders' Relationship Committee and the terms of reference of the Stakeholders' Relationship Committee are in conformity with the provisions of Regulation 20 of the SEBI Listing Regulations, read with Section 178 of the Act. The Stakeholders' Relationship Committee specifically looks into the redressal of grievances of shareholders and other security holders such as transfer transmission of shares, issue of duplicate share certificates, recording dematerialization/rematerialisation of shares, non-receipt of Annual Report, non-receipt of declared dividends and other related matters.

Composition: The following were the members of the Committee during the year.

(A) Mr. Narendra Aggarwal - Director
(B) Mr. Narender Kumar Makkar - Company Secretary
(C) Mr. P. M. Alexander - Member Director

Mr. Narender Makkar, Company Secretary, is the Secretary of the committee and is also the Compliance Officer.

The Stakeholders' Relationship Committee of the Board of Directors meets at regular intervals and specifically looks into Redressal of grievances of shareholders and other security holders.

During the financial year, 14 meetings of the committee were held on the following dates;

17072017, 31072017, 04092017, 11092017, 21092017, 03102017, 23102017, 20112017, 04122017, 11122017, 01012018, 15012018, 19022018 and 26032018

Name and designation of Compliance Officer: Mr. Narender Makkar, Company Secretary

Status of Shareholders' Complaints:

The number of complaints received during the year ended on 31st March, 2018 were 05 (Five), resolved during the year ended on 31st March, 2018 were 5 and there were none pending as at the end of the financial year.

Share Transfer

Mr. Narender Makkar, Company Secretary and Mr. P D Gupta Manager Corporate Affairs are severally authorised to approve share transfers in physical mode.

Business Risk Management Policy

Your Company recognizes that risk is an integral part of business and is committed to managing the risk in a proactive and efficient manner. Your Company periodically assesses risk in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans strategy. The Internal Audit Department facilitates the execution of Risk Management Practices in the Company in the areas of risk identification, assessment, monitoring, mitigation and reporting. The Company has laid down procedures to infoirm the Audit Committee as well as the Board of Directors about risk assessment & management procedures and status.

The Company has policy to hedge most of the payments of currency in order to reduce risk of voilatile international market of foreign exchange. All properties including building, plant, furniture, fixture, stock and stock in transit of the Company have been properly insurred against all kinds of risks.

Independent Directors Meeting

During the year under review the Independent Directors met on 31.03.2018 interalia to review the performance of non independent directors including that of the Chairman taking into account the views of the executive and non – executive directors; assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters.

(7) General Body Meetings

(A) The venue date and time of the last 3 Annual General Meetings were as follows;

Date & Time	Location
30th September, 2015 at 10:00 a.m.	Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi – 110003
30th September, 2016 at 10:00 a.m.	Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi – 110003
28th September, 2017 at 10:00 a.m.	Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi – 110003

(8) Disclosure

I. There were no materially significant related party transaction i.e transactions of the Company of material nature with its promoters, Directors or the Management, their relatives or subsidiaries etc which conflict with the interests of the Company.

II. Disclosure by Senior Management in accordance with Regulation 26(5) of the SEBI Listing Regulations:

The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

III. Disclosures on Compliance of Law :

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

IV. Vigil Mechanism / Whistle Blower Mechanism: - The Company promotes ethical behaviour in all its business activities and hasput in place mechanism of the reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified person. The reports received from any employee will be reviewed by the Ethics Office and the Corporate Governance and Stakeholders Relationship Committee. The Directors and Senior Management are obliged to maintain confidentially of such report and ensure that the whistle blowers are not subjected to any discriminatory practices.

V. Code for Prevention of Insider Trading Practices In compliance with the SEBI Regulation on Prevention of Insider Trading, the Company has in place a comprehensive code of conduct for its Directors and Senior Management Officers. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The code clearly specifies, among other matters, that Directors and specified employees of the Company can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and material events, as per the Code. Mr. Narender Makkar, Company Secretary, is the Compliance Officer who also acts as the Chief Investor Relations Officer.

VI. Details of compliance with mandatory requirements and adoption of non mandatory requirements All mandatory requirements have been complied with and the non-mandatory requirements are dealt with at the end of the Report.

VII. Commodity price risk or foreign exchange risk and hedging activities

Terms of reference of the Committee	Composition	Frequency of Meetings
1. To take protective measures to hedge forex	1. Mr.Jitender Pancharia Independent Director	26.08.2017 and 13.02.2018
	2. Mr. P M Alexander Member	
	3. Mr. Narendra Aggarwal Member	

2. To decide on all matters related to Commodities hedging and to take protective measures to hedge commodity price fluctuations

IX. Code of Conduct

A new code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel which suitably incorporates the duties of Independent Directors as laid down in the Act, has been adopted by the Board, in supersession of the earlier one, to bring it in line with the SEBI Listing Regulations. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Director in terms of SEBI Listing Regulations forms a part of this Annual Report.

I. There are no pecuniary relationships or transactions with the Non-Executive Directors other than sitting fees paid to them.

X. CEO and CFO Certification

The Company Secretary of the Company give quarterly/annual certification of financial reporting and internal controls to the Board in terms of regulation 17(8) and 33(2) of the SEBI (Listing Obligation and requirement), Regulation 2015

(9) Means of Communication

i.	Quarterly Result	Un-audited quarterly and yearly results have been published.
ii.	Whether the website also displays official news releases and presentation to institutional investors /analysts.	Website has been developed and is active. Notice of Annual General Meeting along the Annual Report is being sent to each shareholder well within time frame.
iii.	Newspapers where Audited Financial Results, Unaudited quarterly and yearly results are published	Financial Chronical Delhi English & Awam E Hind Edition
iv.	Whether Management Discussion and Analysis is a part of Annual Report or not.	YES
v.	Annual Report	Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

(10) Subsidiary Monitoring Framework

All the subsidiary companies of the Company are Board managed with their Boards of Directors having the rights and obligations to manage such companies in the best interest of their Shareholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies inter alia, by the following means

a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.

b) All minute of the meetings of subsidiary companies are placed before the Company's Board regularly.

c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Indian Footwear Industry has demonstrated exponential growth and continues to take advantage of the favourable current economic climate to further leverage growth opportunities. The Government has acted as an important catalyst in bringing greater investment to this sector and has granted fiscal relief and incentives to augment production and exports. Innovation continues to be the focal point in your Company's manufacturing, sales, marketing and various brand-building efforts. The company has manufacturing facility of shoes uppers at Chennai and achieved a turnover of Rs.3825.80 Lacs during the current year as compared to Rs. 3939.28 Lacs during the previous year. Your Company is always striving to create a favourable work environment with the available resources at its command and is doing its best to retain the available talents within the company. The Company is having expertise in the product line in which it has been operating. The Company in the past was a continuously profit earning and dividend paying Company.

Your company is well aware of the opportunities, threats and risks involved in the business and it takes every effort to convert the threats and risks into opportunities.

Your Company annually reviews "risk maps" to help identify potential business threats. The capability of these risk mitigation plans, developed to redress identified threats, is honed to protect the interests of all Shareholders. Crisis management plans are well documented.

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized and reported correctly.

(11) General Shareholder Information

(a) Annual General Meeting

Date & Time : 28/09/2018 at 10:00 A.M.

Place : Lok Kala Manch, 20, Institutional Area, Lodhi Road, New Delhi -110003.

(b) Financial Calendar: ending March 31

(Tentative)

Financial Results for the Quarter Ended:

30th June, 2018 On or before 13th August, 2018,

30th September, 2018	On or before 14th November, 2018,
31st December, 2018	On or before 14th February, 2018
31st March, 2019	On or before 30th May, 2018

(c) Date of book Closure 23.09.2018 TO 29th September, 2019

Listing on Stock Exchanges:

The shares of the Company are listed on the following stock exchanges:

S. No.	STOCK EXCHANGE	ADDRESS
(a)	BSE Limited	The Bombay Stock Exchange, Phiroze Jeejeebhoy Tower, 25th Floor, Dalal Street, Mumbai- 400 001

The Company has paid Annual Listing Fees for the Financial Year 2017-2018 to Stock Exchanges.

(d) Stock Exchange Code at BSE : 526481

Stock Market Data: Highest & Lowest during each month in last financial year from April, 2017 to March, 2018 on Bombay Stock Exchange.

YEAR	MONTH	HIGHEST RATE	LOWEST RATE
2017	April	15.38	09.00
2017	May	14.40	11.10
2017	June	11.99	10.25
2017	July	13.50	10.41
2017	August	12.54	08.89
2017	September	13.40	09.66
2017	October	16.22	12.12
2017	November	16.50	12.50
2017	December	15.68	12.65
2018	January	19.59	15.00
2018	February	17.25	13.95
2018	March	19.00	13.60

(e) Share Transfer System:

The Company has out sourced share transfer function to M/s Mas Services Limited, which is registered with SEBI as a Category-I Registrar and Transfer Agent.

Share Transfer Process : The shares in physical form for transfer should be lodged at the office of the Company's Registrar and Share Transfer Agent, or at the Registered Office of the Company. The transfers are processed within 10 days from the date of receipt of such request for transfer, if technically found to be in order and complete in all respects. As per directives issued by SEBI it is compulsory to trade in securities of any Company's equity shares in dematerialized form.

(f) Dematerialization of Shares:

The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerializing the shares, the shareholders should open a demat account with a Depository Participant (DP). He/She is required to submit a Demat Request Form duly filled up along with the share certificates to his/her DP. The DP will allocate a demat request number and shall forward the request physically as well as electronically, through NSDL/CDSL, to the Registrar and Share Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of shares is given in the account of the shareholder. The Company has entered into agreement with NSDL and CDSL for the purpose. The Company ISIN No. is INE245B01011.

(g) Distribution of Shareholding as on 31st March, 2018

Shareholding of Nominal Value (‘)	Shareholders		Share Amount	
	Number	% to Total	Amount In (‘)	% to Total
1	2	3	4	**5**
Up to 5000	7899	90.543	14223270	8.471
5001 – 10,000	453	5.193	3645400	2.171
10,001-20,000	167	1.914	2596110	1.546
20,001-30,000	65	0.745	1663530	0.991
30,001-40,000	28	0.321	972520	0.579
40,001-50,000	30	0.344	1405160	0.837
50,001-1,00,000	43	0.493	3132110	1.866
1,00,001- and above	39	0.447	1402575000	83.539
	9065	**100.000**	**167895600**	**100.000**

(h) (ii) Shareholding Pattern as on 31st March, 2018

Category		No. of shares held	Percentage of shareholding
A.	**Promoter’s holding**		
1.	Promoters		
	- Indian Promoters	27,36,000	16.296
	- Foreign Promoters	16.296	Nil
2.	Persons acting in concert	90,53,450	53.923
	Sub – Total :	**1,17,89,450**	**70.219**
B.	**Non-Promoters Holding**		
3.	Institutional Investors		
	a. Mutual Funds and UTI		
	b. Banks, Financial Institutions, Insurance Companies (Central/Sale Govt. Institutions /Non-Government Institutions)		
c.	**FIIs**	Nil	Nil
	Sub Total Nil Nil		
4.	Others		
	a. Corporate Bodies	702385	4.18
	b. Indian Public	3167292	18.86
	c. NRIs/OCBs	1119394	6.67
	d. Any other (please specify)- Clearing Members	11039	0.08
	Sub-Total	**50,00,110**	**29.782**
	Grand Total	**1,67,89,560**	**100.00**

Dematerialisation of shares :

NSDL : 1615908
CDSL : 1002869
Physical : 14170783
TOTAL : 16789560
ISIN NO : ISIN245B01011.

(i) Registrar and Transfer Agent

Mas Services Limited,
Address : T-34,2nd Floor, Okhla Industrial Area, Phase-II, New Delhi -110020
Telephone No : 26387281/82/83
Fax : 26387384
E-mail : info@masserv.com

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity Nil

(j) Plant Location

Phoenix International Ltd.
No77/70A, Thiruneermalai Main Road, Nagalkeni, Chromepet, Chennai, Tamilnadu India Pin - 600044

(k) Address for Correspondence

Phoenix International Limited
3rd Floor, Gopala Tower, 25, Rajendra Place, New Delhi – 110008
Telephone : (91)(11)25747696
Fax : (91)(11)25751937
E-mail : narendermakkar@yahoo.com

(l) Reconciliation of Share Capital

As stipulated by SEBI, a qualified Practising Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Stock Exchanges.

(m) Details of mandatory requirement of Listing Regulations

Particulars	Regulation	No Complied Status
Independent director(s) have been appointed in terms of Specified criteria of 'independence' and/or 'eligibility	16(1)(b) & 25(6)	Complied with
Board composition	17(1)	Complied with
Meeting of Board of directors	17(2)	Complied with
Review of Compliance Report	17(3)	Complied with
Plans for orderly succession for appointments	17(4)	Complied with
Code of Conduct	17(5)	Complied with
Fees/compensation	17(6)	Complied with
Minimum Information	17(7)	Complied with
Compliance Certificate	17(8)	Complied with
Risk Assessment & Management	17(9)	Complied with
Performance Evaluation of Independent Director	17(10)	Complied with
Composition of Audit Committee	18(1)	Complied with
Meeting of Audit Committee	18(2)	Complied with
Composition of Nomination & Remuneration Committee	19(1) & (2)	Complied with
Composition of Stakeholder Relationship Committee	20(1) & (2)	Complied with
Vigil Mechanism	22	Complied with
Policy for related party Transaction	23(1), (5), (6), (7) & (8)	Complied with
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	NA
Approval for material related party transactions	23(4)	NA
Maximum Directorship & Tenure	25(1) & (2)	Complied with
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	NA

NON MANDATORY REQUIREMENT

Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

This Corporate Governance Report of the Company is in compliance with the requirements of the SEBI Listing Regulations.

For and on behalf of the Board of Directors
Phoenix International Limited

	Sd/-	**Sd/-**
Place: New Delhi	Narender Makkar	P M Alexander
Date: 13.08.2018	**Director (DIN-00026857**	**Chairman**
	Company Secretary	**(DIN-00050022)**

ANNEXURE – 2

CODE OF CONDUCT AND COMPLIANCE WITH THE CODE OF CONDUCT

"The Company's Board of Directors and Senior Management are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the need of investors and all other stakeholders as also reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in sprit."

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by Directors is given below:

We hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Company's Code of Business Conduct and Ethics for Directors and Senior Management Personnel for the financial year ended 31st March, 2018 in terms of the SEBI Listing Regulations.

For and on behalf of the Board of Directors
Phoenix International Limited

	Sd/-	**Sd/-**
Place: New Delhi	Narender Makkar	P M Alexander
Date: 13.08.2018	**Director & Company Secretary**	**Chairman**
	(DIN-00026857	**(DIN-00050022)**

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,
THE MEMBERS OF PHOENIX INTERNATIONAL LIMITED

We have examined the compliance of conditions of Corporate Governance by Phoenix International Limited ("Company") for the year ended on March 31, 2018 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015). The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements and records of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015. .

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency and effectiveness with which the management has conducted the affairs of the Company.

For **M/s Pradip Bharadwaj & Co,**
Chartered Accountants

(Pradip Bhardwaj)
(Partner)
M. No. : 500219

Place : New Delhi
Date : 13.08.2018

Certification by CEO/CFO

The Board of Directors
Phoenix International Limited
3rd Floor, Gopala Tower
25, Rajendra Place,
New Delhi-110008

Ref: Certification by CEO/CFO for Financial Year 2017-2018

We, the undersigned, in our respective capacities of PHOENIX INTERNATIONAL LIMITED ("the Company) to the best of our knowledge and belief certify that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year 2017-2018 and that to the best of our knowledge and belief:

  i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken and/or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee, wherever applicable, the following:

  i. significant changes in internal control over financial reporting during the year;

  ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For PHOENIX INTERNATIONAL LIMITED

	Sd/-	**Sd/-**
Place: New Delhi	**V Krishna Kumar**	**Mr. Baby Kutty**
Date : 13.08.2018	**Chief Executive Officer**	**Chief Finance Officer**

Annexure 1

Statement containing salient features of the financial statement of subsidiaries/ Associate companies/ joint ventures

Part "A": Subsidiaries

	Name of the subsidiary	Phoenix Industries Ltd	Phoenix Cement Ltd
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2018	31.03.2018
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA
3.	Share capital (Rs.)	94,323,000	829,535,700
4.	Reserves & surplus	(226,462,309)	556,288,168
5.	Total assets	127,563,214	317,727,334
6.	Total Liabilities	127,563,214	317,727,334
7.	Investments	117,226,005	199,612,500
8.	Turnover	NIL	NIL
9.	Profit before taxation	(873,453)	(178,993)
10.	Provision for taxation	NIL	NIL
11.	Profit after taxation	(873,453)	(178,993)
12.	Proposed Dividend	NIL	NIL
13.	% of shareholding	89.40%	50.57%

Annexure 2

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L74899DL1987PLC030092
2	Registration Date	12/28/1987
3	Name of the Company	PHOENIX INTERNATIONAL LIMITED
4	Category/Sub-category of the Company	LIMITED BY SHARES
5	Address of the Registered office & contact details	3RD FLOOR, GOPALA TOWER, 25 RAJENDRA PLACE DELHI - 110008
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LIMITED, T-34, OKHLA INDUSTRIAL AREA PHASE -II, DELHI

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	NA		
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% ofshares held	Applicable Section
1	Phoenix Industries Limited	U74899DL1999PLC101593	Subsdairy	89.40%	
2	Phoenix Cement Limited	U74899Dl1995PLC065806	Subsdairy	51%	
3					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year (As on 31-March-2018)				No. of Shares held at the beginning of the year (As on 31-March- 2017)				%
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Change during the year
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	2,736,000	2,736,000	16.30%	-	2,736,000	2,736,000	16.30%	0.00%
b) Central Govt	-	-	0.00%	-	0.00%	0.00%			
c) State Govt(s)	-	-	0.00%	-	0.00%	0.00%			
d) Bodies Corp.	106,250	8,947,200	9,053,450	53.92%	106,250	8,947,200	9,053,450	53.92%	0.00%
e) Banks / FI	-	0.00%	-	0.00%	0.00%				
f) Any other	-	0.00%	-	0.00%	0.00%				
Sub Total (A) (1)	106,250	11,683,200	11,789,450	70.22%	106,250	11,683,200	11,789,450	70.22%	0.00%
(2) **Foreign**									
a) NRI Individuals	-	0.00%	-	0.00%	0.00%				
b) Other Individuals	-	0.00%	-	0.00%	0.00%				
c) Bodies Corp.	-	0.00%	-	0.00%	0.00%				
d) Any other	-	0.00%	-	0.00%	0.00%				
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	106,250	11,683,200	11,789,450	70.22%	106,250	11,683,200	11,789,450	70.22%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	0.00%	-	0.00%	0.00%				
b) Banks / FI	-	0.00%	-	0.00%	0.00%				
c) Central Govt	-	0.00%	-	0.00%	0.00%				
d) State Govt(s)	-	0.00%	-	0.00%	0.00%				
e) Venture Capital Funds	-	0.00%	-	0.00%	0.00%				
f) Insurance Companies	-	0.00%	-	0.00%	0.00%				
g) FIIs	-	0.00%	-	0.00%	0.00%				
h) Foreign Venture Capital Funds	-	0.00%	-	0.00%	0.00%				
i) Others (specify)	-	0.00%	-	0.00%	0.00%				
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	219,519	530,235	749,754	4.37%	260866	514000	774,866	4.62%	0.25%
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,922,051	841,183	2,763,234	16.46%	1,844,166	853,833	2,697,999	15.10%	0.97%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	308,410	25,200	333,610	1.99%	330986	48300	379,286	2.26%	0.31%

Category of Shareholders	No. of Shares held at the end of the year (As on 31-March-2018)				No. of Shares held at the beginning of the year (As on 31-March- 2017)				%
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Change during the year
c) Others (specify)									
Non Resident Indians	6,158	1,120,554	1,126,712	6.71%	13759	1107400	1,121,159	6.68%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members	26,800	-	26,800	6.26%	26800	26,800	0.16%	0.00%	
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	2,482,938	2,517,172	5,000,110	29.78%	2,476,577	2,523,533	5,000,110	29.78%	0.00%
Total Public (B)	2,482,938	2,517,172	5,000,110	29.78%	2,476,577	2,523,533	5,000,110	29.78%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	2,589,188	14,200,372	16,789,560	100.00%	2,582,827	14,206,733	16,789,560	100.00%	0.00%

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	Phoenix International Finance Limited	106,250	0.63%	0	106,250	0.63%	0	0.00%
2	D N Kalsi	1,600	0.01%	0	1,600	0.01%	0	0.00%
3	Mayflower Management Services Pvt Ltd	2,880,000	17.15%	0	2,880,000	17.15%	0	0.00%
4	Vanguard Services Pvt Ltd	3,120,000	18.58%	0	3,120,000	18.58%	0	0.00%
5	Spartan Management Services Pvt Ltd	2,880,000	17.15%	0	2,880,000	17.15%	0	0.00%
6	Fitzroy Exports Pvt Ltd	16,800	0.10%	0	16,800	0.10%	0	0.00%
7	Mayflower Management Services Pvt Ltd	2,880,000	17.15%	0	2,880,000	17.15%	0	0.00%
8	Focus Energy Limited	200	0.00%	0	200	0.00%	0	0.00%
9	Ajay Kalsi	2,734,400	16.29%	0	2,734,400	16.29%	0	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change) NO CHANGE

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00% 0.00% 0.00%		0.00% 0.00% 0.00%
	At the end of the year				0.00%		0.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the Top 10 shareholder	Date	Reason	Shareholding at the beginning of the year		Shareholding at the end of the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	DHANASTRA INVESTMENTS LTD			65,300	0.39%	65,300	0.39%
2	BDS SHARE BROKERS PRIVATE LTD.			38,364	0.23%	43,328	0.26%
3	CHAMPION INVESTMENTS LTD			158,000	0.94%	158,000	0.94%
4	SANJAY GUPTA			47,700	0.28%	47,700	
5	CHANDRA PRABHA GHANDHI			25,464	0.15%	22,570	0.13%
6	PARAS MAL PIPRA			130,151	0.78%	140,123	0.83%
7	M L GHANDI			19,943	0.12%	-	0.00%
8	DORCY HOLDING LIMITED			150,300	0.90%	150,300	
9	CARVER FINANCE LIMITED			144,900	0.86%	144,900	0.86%
10	DYNAS INVESTMENTS LIMITED			158,200	0.94%	158,200	0.009422522
11	GJANSHYAM N GAJJAR			16,868	0.10%	16,868	0.10%

(v) Shareholding of Directors and Key Managerial Personnel: NO DIRECTORS ARE HOLDING ANY SHARES

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition		NA		-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	Name Designation	Mr. Narender Makkar Director and Company Secretary	Mr. Baby Kutty CFO	Mr. V K Kumar CEO	(Rs/Lac)
1	Gross salary	25,92,000	15,60,000	9,26,928	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	
4	Commission	NIL	NIL	NIL	
	- as % of profit				
	- others, specify				
5	Others, please specify	NIL	NIL	NIL	
	Total (A)	25,92,000	21,60,000	9,26,928	
	Ceiling as per the Act				

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings		NA		-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
	Name				
	Designation	**CEO**	**CFO**	**CS**	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option			NA	-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total -	-	-	-	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NA		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE - 3

(A) ENERGY CONSERVATION

Energy conservation is an ongoing process in your company. Your Company is committed to invest in the latest energy efficient technologies, to conserve energy on all location, plants and sites of the Company. As a part of Company's endeavor towards conservation of energy and prevention of energy wastage, constant improvements are undertaken in order to conserve energy on an ongoing basis.

a) The steps taken or impact on conservation of energy:

1) The energy conservation measures indication above has helped the company to restrict the impact of increase in the cost of energy thereby reducing the cost of production of goods. Your company has installed following equipment for energy conservation in manufacturing plants:-
   - Servo motors on molding & cutting at manufacturing plants
   - Variables frequency drive on air compressor
   - Insulation of steam lines in the manufacturing plants
   - Power analyzer in systems in manufacturing plants
   - LED lights installed in manufacturing plants
2) The Company has started following initiatives at its manufacturing plants
   - Company has been promoting awareness on regular basis on efficient use of electrical equipments like Air Conditioners, Lightings etc
   - Regular analysis of electrical bills of three phase connections is made for improving power factor

b) The steps taken by company for utilizing sources of energy

In addition to various initiatives around energy efficiencies, the company is undertaking a pilot project to harness power by commissioning a solar unit in plants.

c) The Capital investment on energy conservation of energy:

During the year under review company has not made any capital investment for conservation of energy.

(B) TECHNOLOGY ABSORPTION

i) No further efforts were required for technology absorption

ii) The company is already deriving benefits with exiting technology

iii) No technology were imported or any expenditure were incurred in R & D during the year under review.

ANNEXURE - 4

Criteria for determining qualifications, positive attributes and independence of a director

The Board shall comprise of individuals who have demonstrated significant achievements in business, education, professions, financial sector and public service. They must have the requisite intelligence, education and experience to make a significant contribution to the deliberations of the Board of Directors.

I. QUALIFICATION CRITERIA

The Nomination and Remuneration Committee of the Board (the "Committee") is responsible for evaluating the qualifications of each director candidate and of those directors who are to be nominated for election by shareholders at each annual general meeting, and for recommending duly qualified director nominees to the full Board for election. The overall ability and experience of individual candidates should determine their suitability. The qualification criteria set forth herein to describe the qualities and characteristics are desired for the Board as a whole and for Board members individually.

A. Director Qualification Review Procedure

The Board shall determine the director's qualifications to serve on the Board, upon the recommendation of the Committee, prior to nominating said director for election at the Company's next annual general meeting. In addition, with respect to each director candidate considered for election to the Board between annual meetings, prior to such election, the Committee shall evaluate each director candidate and recommend to the Board any duly qualified director candidates for recommendation by the Board. The Director candidate shall be evaluated by the Committee as per the criteria set forth herein.

B. General Director Qualification Criteria

The Board has not established specific minimum age, education, years of business experience or specific types of skills for Board members, but, in general, expects a candidate to have extensive experience and proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values. In its evaluation, the Committee shall consider the Board size and composition of the Board according to the following guidelines: – With respect to Board composition as a whole and the Board Committees, the required number of directors who qualify as "independent" pursuant to applicable rules and the Independence Standards as per the provisions of Companies Act, 2013 and the Listing Agreement with the Stock Exchanges (as may be amended from time to time) shall be maintained.

C. Additional Review Criteria

The Committee shall also consider the personal qualities of each director candidate to be able to make a substantial active contribution to Board deliberations. The director candidate must be willing to commit, as well as have, sufficient time available to discharge the duties of Board membership. The director candidate should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company. The Committee shall also consider its policies with respect to retirement age, change in employment status, as well as all other relevant facts and circumstances in making its recommendations to the Board.

II. INDEPENDENCE STANDARDS

The following would be the independence review procedure and criteria to assist the Committee evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the Listing Agreement with the Stock Exchanges. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director's independence.

A. Independence Review Procedures

1. Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declarations made by such Directors as per the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Agreement.

2. Individual Director Independence Determinations

If a director nominee is considered for appointment to the Board between annual general meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment. All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Agreement.

3. Notice of Change of Independent Status

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

ANNEXURE - 5

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis during the Financial Year 2017 -2018:

A	Name(s) of the related party and nature of relationship:	Not Applicable
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts / arrangements/transactions:	
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	
E	Date(s) of approval by the Board:	
F	Amount paid as advances, if any:	
G	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	
H	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	

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

A	Name(s) of the related party and nature of relationship:	Not Applicable
B	Nature of contracts/arrangements/transactions:	
C	Duration of the contracts / arrangements/transactions:	
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	
E	Date(s) of approval by the Board, if any:	
F	Amount paid as advances, if any:	

For and on behalf of the Board of Directors
Phoenix International Limited

	Sd/-	**Sd/-**
Place: New Delhi	Narender Makkar	P M Alexander
Date: 13.08.2018	**Director & Company Secretary**	**Director**
	(DIN-00026857	**(DIN-00050022)**

ANNEXURE - 6

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGEMENT PERSONNEL RULES, 2014

The percentage increase in remuneration of Director and Company Secretary during the financial year 2017 – 2018, ratio of the remuneration of each Director of the Company for the financial year 2017 – 2018 and comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:-

Sr. No	Name of the Director/KMP and Designation	Remuneration of Director/KMP for the FY 2017- 2018	% increase in remuneration in the FY 2017 -2018	Ratio of Remuneration of each Director/ Employee	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Jitendra Pancharia Non Executive and Independent Director	1,00,000	NA	NA	NA
2.	Mr. Narendra Agarwal Director	NA	NA	NA	NA
3.	Mr. Narender Makkar Executive Director	25,92,000			
4.	Mr. P.M. Alexander Director	NA	NA	NA	NA
5.	Mrs. Rekha Mittal Non Executive and Independent Director	1,00,000	NA	NA	NA
6	Mr. Baby Kutty Chief Finance Officer	21,60,000	NA	NA	NA
7	Mr.Krishna Kumar Venkataramani Chief Executive Officer	9,26,928	NA	NA	NA

ANNEXURE - 7

Remuneration Policy

BACKGROUND

Phoenix International Limited (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

BRIEF OVERVIEW UNDER COMPANIES ACT 2013

{Section 178 and Companies [Meetings of Board and its Powers] Rules 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:—

  the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

  relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

  remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Such policy shall be disclosed in the Board's report.

BRIEF OVERVIEW OF THE REVISED CLAUSE 49 OF LISTING AGREEMENT

IV. Nomination and Remuneration Committee

A. The company shall set up a Nomination and Remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be independent. Chairman of the committee shall be an independent director.

B. The role of the committee shall, INTER-ALIA, include the following:

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

Formulation of criteria for evaluation of Independent Directors and the Board;

Devising a policy on Board diversity;

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

PRESENT POSITION OF DIRECTORS and KMP OF THE COMPANY

- The Company has constituted a Nomination and Remuneration Committee of the Board of Directors (Board).
- At present there are total Five Directors on the Board of which four (4) are Non-Executive and Independent, and the remaining One (1) is Executive Director.

  Director draws remuneration from the Company.
- Key Managerial Personnel (KMP) consists of Director and Company Secretary who is employees.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Act as Selection and Compensation Committee to evaluate suitability of candidates for various senior positions and determine appropriate compensation package for them. Selection of related persons whether or not holding place of profit in the Company to be carried out strictly on merit and where applicable, be subjected to review by the Audit Committee of and/or the Board with approval at each stage being obtained by disinterested Independent Directors only.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.

- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.

CRITERIA FOR DETERMINING THE FOLLOWING:-

Qualifications for appointment of Directors (including Independent Directors):

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills. Their consumer durable / consumer Goods / FMCG industry experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and Clause 49 of Listing Agreement.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the consumer durable / consumer Goods / FMCG industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Clause 49 of the Listing Agreement as amended from time to time

Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP and SENIOR MANAGEMENT PERSONNEL:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director / KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:
  Responsibilities and duties;
  Time and efforts devoted;
  Value addition;
  Profitability of the Company and growth of its business;
  Analyzing each and every position and skills for fixing the remuneration yardstick;
  Standards for certain functions where there is a scarcity of qualified resources. Ensuring tax efficient remuneration structures.
  Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low. Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

REVIEW

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, from time to time as may be necessary

ANNEXURE - 8

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL ENDED 31ST MARCH 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Phoenix International Limited
3rd Floor, Gopala Tower, 25, Rajendra Place,
New Delhi-110008

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s PHOENIX INTERNATIONAL LIMITED (CIN No. L74899DL1987PLC030092) (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Phoenix International Limited** for the financial year ended on 31st March, 2018 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015);

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during Audit period as the Company has not introduced any such Scheme)**;

g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during Audit period as the Company has not issued any Debt Securities);**

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during Audit period as the Company has not delisted /proposes to de-list any equity shares from any stock Exchange)**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during Audit period as the Company has not brought back / proposed to Buy back any Securities);**

(vi) As informed and certified by the Management of the Company, There are no other laws which are specifically applicable to the Company based on their sector/Industry.

(vii) We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Stock Exchange in India.

(viii) We have relied on the Representation made by the Company and its Officers for systems and mechanism formed by Company. The compliance of the provisions of corporate and other applicable laws, rules, regulations the Company for compliances under other applicable Acts, Laws and Regulations to the, standards is the responsibly of the management. Our examination was limited to the verification of procedure on test basis.

(ix) In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 made effective from 1st December, 2015 (*SEBI LODR Regulations*).

During the period under report, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

a. Website of the Company is not updated in terms of SEBI LODR Regulations;
b. The filing of Annual Filing eform MGT -7 and AOC-4 was filed with the Registrar of Companies, Delhi with additional fees for the Financial Year 2016-17.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that the Company has given a confirmation alongwith relevant document pertaining to appointment of Mr. Narender Kumar Makkar as Executive Director and also confirmed that he is getting remuneration only in the capacity of Executive Directors.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Shalu Singhal & Co.**
(Practising Company Secretaries)

Shalu Singhal
Proprietor

Date: 13.08.2018
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Phoenix International Limited
3rd Floor, Gopala Tower, 25, Rajendra Place,
New Delhi-110008
Sir,

Our Secretarial Audit Report for the financial year 2017-2018 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, labour laws records, personal records of employee(s) and Books of Accounts of the company as these do not fall under specific applicable laws.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other specific applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy effectiveness with which the management has conducted the affairs of the company.

For **Shalu Singhal & Co.**
(Practising Company Secretaries)

Shalu Singhal
Proprietor

Date: 13.08.2018
Place: New Delhi

Sr.	Observation	Reply
1	Website of the Company is not updated in terms of SEBI LODR Regulations;	Our Company website is fully operation, however, some documents were yet to be uploaded and the same has been updated in term of applicable provisions of Comapnies Act and SEBI LODR Regulations.

Further, Our Management ensure the timely filing of eform with ROC and intimate the complete disclosure to the stock exchange for dissemination the same to stakeholders.

INDEPENDENT AUDITORS' REPORT

To,
The Members
M/s. Phoenix International Limited

Report on Standalone Financial Statement

We have audited the accompanying standalone financial statements of Phoenix International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statements of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act")with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records,

relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;

(b) in the case of the Statement of Profit and Loss , of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we

considered appropriate and according to information and explanations given to us, we give in the **"Annexure A"**, 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 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 appears from our examination of those books;

   (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable;

   (e) on the basis of written representations received from the Directors as on March 31, 2018 under section 164(2) of the Companies Act, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of provisions of section 164(2) of the Companies Act, 2013; with respect to the adequacy of internal financial controls over financial reporting and operating effectiveness of such controls, refer to our separate report in **"Annexure B"**, which is based on auditor's report of the company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the company;

   (f) 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 financial statements as referred to Note no34 to the financial statement;

      (ii) the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses;

      (iii) there has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Date: 30.05.2018

For Pradip Bhardwaj & Co.
Chartered Accountants
Firm Registration No.: 013697C

(Pradip Bhardwaj)
Partner
M.No.500219

ANNEXURE- A, REFERRED TO IN PARAGRAPH '1'UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR AUDIT REPORT OF EVEN DATETO THE MEMBERS OF PHOENIX INTERNATIONAL LIMITED

1. (a) According to the information and explanations given to us, the company is maintaining proper records of fixed assets, including the quantitative details and its situations.

   (b) Physical verification of fixed assets has been made by the management during the year and no material discrepancies were noticed on such verification.

   (c) According to the information and explanations given to us, and on the basis of records maintained by the company, the title deeds of immovable properties are held in the name of the company.

2. The management has conducted physical verification of inventory at reasonable interval during the period and no material discrepancies were noticed on physical verification.

3. The Company has not granted any loans, secured or unsecured to Companies, Firm, Limited Liability Partnership or parties covered in register maintained u/s 189 of Companies Act, 2013.

4. According to the information and explanations given to us, the company has complied with the provision of section 185& 186 of Companies Act, 2013, with respect to loans & investment made.

5. According to the information and explanations given to us, the company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other provisions of the Companies Act and the rules framed there under, hence clause v of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable.

6. According to the information and explanations given to us, maintenance of cost records have not been specified by the Central Government under sub- section (1) of Section 148 of Companies Act,2013, hence clause vi of paragraph 3 of the Companies (Auditor's Report) Order,2016 is not applicable.

7. (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues as applicable to the company**.**

According to the information and explanations given to us, undisputed statutory dues including amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Excise Duty, Value Added Tax, Cess and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slightly delay in few cases, as at 31.03.2018 for a period of more than six months from the date they become payable.

(b) As per information and explanation provided to us the following are the contingent liabilities against which the appeal is pending to the various authorities:

Particulars	**Authorities**	**Amounts**
1. Service Tax	CESTAT	92,24,464/-
2. Central Excise (2016)	Commissioner Appeal Central Excise	27,34,452/-

8. According to the information and explanations give to us, the company has taken Term Loan from Oriental Bank of Commerce but there is no default in repayment of principal and interest during the year.

9. According to the information and explanations given to us, the company has obtained a Term Loan from Oriental Bank of Commerce during the year under audit and which is applied for the purpose for which those are raised.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to information and explanations given to us and on the basis of records maintained by the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Companies Act 2013.

12. In our opinion and according information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

13. According to information or explanations given to us, transactions with related party are in compliance with sections 177 & 188 of the Companies Act,2013 and details of which have been disclosed in the financial statements.

14. According to information and explanations given to us and based on our examinations of the records maintained by the Company, the Company has not made any preferential allotment/ private placement of share or fully or partly convertible debentures during the year. Hence clause 3 (xiv) is not applicable on the Company.

15. According to information and explanations given to us, the Company has not entered into non-cash transaction with directors or persons connected with him. Accordingly, paragraph 3 (xv) is not applicable on the Company.

16. According to information and explanations given to us, the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934, Hence clause 3 (xvi) is not applicable on the Company.

Place: New Delhi
Date: 30.05.2018

For Pradip Bhardwaj & Co.
Chartered Accountants
Firm Registration No.: 013697C

(Pradip Bhardwaj)
Partner
M.No.500219

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Phoenix International Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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

Place: New Delhi
Date: 30.05.2018

For Pradip Bhardwaj & Co.
Chartered Accountants
Firm Registration No.: 013697C

(Pradip Bhardwaj)
Partner
M.No.500219

PHOENIX INTERNATIONAL LIMITED
CIN : L74899DL1987PLC030092
STANDALONE BALANCE SHEET AS AT 31ST MARCH 2018

(INR in Lacs)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	3	**28,847.40**	29,200.81	29,549.44
(b) Capital Work-in-Progress		**232.42**	232.42	232.42
(c) Financial Assets				
- Long Term Investments	4	**1,590.83**	1,590.83	1,590.83
- Long Term Loans	5	**12.98**	12.78	10.64
- Others Financial Non-Current Assets	6	**3,690.75**	7,551.35	9,552.34
(d) Other Non-Current Assets	7	**26.12**	25.36	25.36
Total Non-Current Assets		**34,400.49**	38,613.55	40,961.04
2 Current Assets				
(a) Inventories	8	**659.31**	546.89	506.86
(b) Financial Assets				
- Trade Receivables	9	**3,384.67**	2,537.19	2,744.76
- Cash and Cash Equivalents	10	**4,852.83**	295.52	169.06
- Short Term Loans	11	**27.71**	26.43	12.57
- Other Financial Current Assets	12	**2,250.51**	2,684.45	10.12
(c) Other Current Assets	13	**984.72**	736.71	750.68
Total Current Assets		**12,159.76**	6,827.20	4,194.06
Total Assets		**46,560.25**	45,440.75	45,155.09
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	14	**1,678.96**	1,678.96	1,678.96
(b) Other Equity	15	**31,025.79**	30,902.95	30,732.29
Total Equity		**32,704.73**	32,581.90	32,411.25
Liabilities				
1 Non-Current Liabilities				
(a) Financial Liabilities				
- Long Term Borrowings	16	**8,557.62**	8,885.06	9,176.76
- Other Financial Non Current Liabilities	17	**508.12**	483.77	460.76
(b) Long Term Provisions	18	**13.11**	11.43	9.26
(c) Deferred Tax Liabilities (net)	19	**499.96**	674.31	743.69
Total Non-Current Liabilities		**9,578.81**	10,054.57	10,390.48
2 Current Liabilities				
(a) Financial Liabilities				
- Trade Payables	20	**3,411.28**	2,148.56	1,850.96
- Other Financial Liabilities	21	**401.68**	302.74	227.96
(b) Other Current Liabilities	22	**58.34**	39.77	11.46
(c) Short Term Provisions	23	**1.28**	1.09	0.88
(d) Current Tax Liabilities (net)	24	**404.12**	312.12	262.12
Total Current Liabilities		**4,276.70**	2,804.29	2,353.37
Total Equity and Liabilities		**46,560.25**	45,440.75	45,155.09
See Accompanying Notes Forming Part of the Financial Statements	1 to 45			

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

per Pradip Bhardwaj
Partner
Membership No.: 500219

For and on behalf of the Board of Directors
Phoenix International Limited

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
CIN : L74899DL1987PLC030092
STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(INR in Lacs)

	Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
	Revenue from Operations	25	**3,926.30**	4,090.03
	Other Income	26	**38.44**	151.37
I.	**Total Revenue**		**3,964.75**	4,241.41
	Cost of Materials Consumed	27	**1,510.65**	2,046.41
	Purchases of Stock-in-Trade	-	-	
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	28	**(13.93)**	73.56
	Employee Benefit Expenses	29	**116.72**	92.12
	Finance Costs	30	**1,048.21**	1,067.72
	Depreciation and Amortization Expense	3	**357.02**	357.47
	Other Expenses	31	**838.38**	696.42
	Total Expenses		**3,857.06**	4,333.69
III.	**Profit Before Tax**		**107.69**	(92.29)
IV	**Tax Expense:**			
	(1) Current Tax		**92.00**	50.00
	(2) Deferred Tax		**(174.36)**	(69.38)
	Total tax expense		**(82.36)**	(19.38)
V	**Profit/ (Loss) For The Period**		**190.05**	(72.90)
VI	**Other Comprehensive Income**			
	A Items that will not be reclassified to Profit or Loss:			
	Actuarial Gain / (Loss) on Defined Benefit Obligation	32	**0.09**	(0.69)
	Finance Liability of Preference Share through OCI		**7.07**	6.86
	Income Taxes relating to items that will not be reclassified to Profit or Loss		-	-
	Deferred Taxes relating to items that will not be reclassified to Profit or Loss		-	-
	B Items that will be reclassified to Profit or Loss:			
	Income Tax relating to items that will be reclassified to Profit or Loss		-	-
VII	**Total Comprehensive Income for the period (V+VI)**		**197.21**	(66.73)
	Earnings per Equity Share			
	Basic - Par value of ₹ 10 per share		1.17	(0.40)
	Diluted - Par value of ₹ 10 per share		1.17	(0.40)
	See Accompanying Notes Forming Part of the Financial Statements	1 to 45		

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

per Pradip Bhardwaj
Partner
Membership No.: 500219

For and on behalf of the Board of Directors
Phoenix International Limited

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
CIN : L74899DL1987PLC030092
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(INR in Lacs)

Particulars		Year ended 31st March 2018		Year ended 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax and Extraordinary Items		**107.69**		(92.29)
Adjustments for :				
Depreciation and Amortization	**357.02**		357.47	
Interest Paid	**1,048.21**		1,067.72	
Interest Received	**(28.62)**		(24.93)	
Foreign Exchange Fluctuation Loss	**65.23**		(109.39)	
(Profit)/Loss on Sale of Assets (net)	**0.00**		(0.75)	
Provision for Gratuity	**1.68**		2.17	
Liabilities / Provisions no longer required written back	**-**	**1,443.52**	-	1,292.28
Operating Profit Before Working Capital Changes		**1,551.21**		1,199.99
Adjustments for :				
Decrease/(Increase) in Trade & Other Receivables	**(1,096.77)**		207.69	
Decrease/(Increase) in Inventories	**(112.42)**		(40.03)	
(Decrease)/Increase in Trade payables/Current Liabilities	**1,228.31**	**19.12**	431.58	599.24
Cash Generation from Operations		**1,570.33**		1,799.23
Taxes Paid(Net)	**(82.36)**	**(82.36)**	(19.38)	(19.38)
NET CASH FLOW FROM OPERATING ACTIVITIES		**1,487.97**		1,779.85
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	**(3.63)**		(9.09)	
Sale of Fixed Assets	**0.02**		1.00	
Interest Received	**28.76**		24.40	
NET CASH FLOW FROM INVESTING ACTIVIITES		**25.14**		16.31
C. CASH FLOW FROM FINANCING ACTIVITIES				
Advances from Subsidiaries / Others	**4,294.40**		(672.81)	
Repayment of Long Term Borrowing	**(225.39)**		49.95	
Receiving of Long Term Borrowing	**7.06**		6.86	
Security Deposits (Paid) / Received	**16.33**		14.01	
Interest Paid	**(1,048.21)**		(1,067.72)	
NET CASH FLOW FROM FINANCING ACTIVITIES		**3,044.20**		(1,669.70)
Net Increase in Cash and Cash Equivalents		**4,557.31**		126.46
Cash and Cash Equivalents at the Beginning of the Year		**295.52**		169.06
Cash and Cash Equivalents at the End of the Year		**4,852.83**		295.52
See accompanying notes forming part of the financial statements				

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED

Standalone Statement of Changes in Equity

(All amounts in INR Lacs, unless otherwise stated)

Particulars	As at 31st March 2018		As at 31st March 2017	
Equity Share Capital	**Number**	**Amount**	**Number**	**Amount**
Balance at the beginning of reporting period	16,789,560	1,678.96	16,789,560	1,678.96
Less: Bought back during the year	-	-	-	-
Balance at the closing of reporting period	16,789,560	1,678.96	16,789,560	1,679

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
Notes to Financial Statements

1. CORPORATE AND GENERAL INFORMATION

Phoenix International Limited ("the Company") is a Public Company domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and Bombay Stock Exchange (BSE) in India. The registered office of Company is situated at 3rd Floor, Gopala Tower,25 Rajendra Place, New Delhi110008, India.

The Company is in the business of leasing out buildings and is a leading manufacturer and supplier of Shoes and Shoe Uppers in Chennai, India.

These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 30, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES :

(a) Basis of preparation of Financial Statements

The financial statement are prepared inaccordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The IndAS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 33, 33(a), 33(b) & 33(c).

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hither to in use.

(b) Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c) Revenue Recognition

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

(i) Sales of Goods

Revenue from the sale of goods is recognized, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of goods. It also includes excise duty and excludes value added tax / sales tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Lease Income

Lease income from operating leases shall be recognized in income on a straight line basis over the lease term.

(iii) Interest Income

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

(iv) Investment Income

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrumentby instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(d) Employees Benefits

(i) Short term Employee Benefits

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition arecapitalized until the property, plant and equipment are ready for use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives using the Written down value method for assets situated at Head Office and Chennai Branch & Straight line method for others. The estimated useful lives of assets as prescribed under Part C of ScheduleII of the Companies Act 2013, are as follows:

Building	:	60 years.
Plant and Machinery	:	15 years
Office Equipment	:	5 -10 years
Computer Equipment	:	3 years
Furniture and fixtures	:	10 years
Vehicles	:	8 years.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement ofProfit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

(f) Inventories

Inventories of raw materials, stores and spares, trading goods, work-in-process and finished goods are valued at cost or net realizable value, whichever is lower. 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. The cost in respect of the aforesaid items of inventory is computed as under:

- In case of raw materials, at weighted average cost plus direct expenses.
- In case of stores & spares, at weighted average cost plus direct expenses.
- In case of work-in-process, at raw material cost plus conversion cost depending upon the stage of completion.
- In case of finished goods, at raw material cost plus conversion cost, packing cost, excise duty and other overheads incurred to bring the goods to their present condition and location.

(g) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(h) Earnings per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity share holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances.

(i) Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense isrecognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities arerecognized for all temporary differences arisingbetween the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities isrecognized as income or expense in the period thatincludes theenactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income taxprovision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. Tax benefits ofdeductions earned on exercise ofemployee share options in excess of compensation charged to income are credited to share premium.

(j) Foreign Currency Transactions

(i) Functional and Presentation currency

The functional currency of the company is Indian rupee. These financial statements are presented in Indian Rupee (rounded off to lacs).

(ii) Transaction and balances

The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

(k) Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

(l) Financial Instruments

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

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except trade receivables which are recognized at transaction price.

(ii) Subsequent measurement

(a) Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

(iv) Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(b) Equity Share capital

(i) Equity Shares

Equity shares issued by the company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

(ii) Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

(iii) Fair value measurement of financial instruments

The fair value of financial instruments is determined using the 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.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

(m) Impairment of Assets

a. Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime

ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(n) Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of three months or less from the balance sheet date, which are subject to an insignificant risk of changes in value.

(o) Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 “Statement of Cash flows” using the indirect method for operating activities.

(p) Provisions, Contingent liabilities, Contingent assets and Commitments:

General

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

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Non-Current Assets

(3) Property, Plant and Equipment

As at 31 March 2018 (INR in Lacs)

		Gross Block				Depreciation					Net Block	
Sr. No.	Particulars	As at 1 April 2017	Additions	Sales/ Adjust-ments	As at 31 March 2018	As at 1 April 2017	Adjust-ments	Deprecia-tion for the year	Transferred to Retained earnings	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
	Tangible Assets:											
1	Land	13,880.43	-	-	13,880.43	-	-	-	-	-	13,880.43	13,880.43
2	Building	28,999.63	-	-	28,999.63	13,694.73	-	352.08	-	14,046.81	14,952.82	15,304.90
3	Plant and Machinery	385.08	0.92	-	386.00	383.53	-	0.41	-	383.94	2.06	1.55
4	Electrical Installation	281.30	-	-	281.30	278.36	-	0.42	-	278.78	2.52	2.94
5	Vehicles	69.32	-	-	69.32	61.95	-	2.27	-	64.22	5.10	7.37
6	Office and Other Equipment	41.97	1.53	0.45	43.05	40.12	0.43	1.25	-	40.94	2.11	1.85
7	Furniture & Fixtures	32.50	1.18	-	33.68	30.72	-	0.60	-	31.31	2.36	1.78
	Capital Work In Progress:-											
	Machinery	232.42	-	-	232.42	-	-	-	-	-	232.42	232.42
	Intangible Assets:	-	-	-	-	-	-	-	-	-	-	-
	Total	**43,922.64**	**3.63**	**0.45**	**43,925.82**	**14,489.40**	**0.43**	**357.02**	**-**	**14,846.00**	**29,079.82**	**29,433.23**
	Previous Year	**43,918.54**	**9.09**	**4.99**	**43,922.64**	**14,136.68**	**4.74**	**357.47**	**-**	**14,489.40**	**29,433.23**	**29,781.86**

As at 31 March 2017

		Gross Block				Depreciation					Net Block	
Sr. No.	Particulars	As at 1 April 2016	Additions	Sales/ Adjust-ments	As at 31 March 2017	As at 1 April 2016	Adjust-ments	Deprecia-tion for the year	Transferred to Retained earnings	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
	Tangible Assets:											
1	Land	13,880.43	-	-	13,880.43	-	-	-	-	-	13,880.43	13,880.43
2	Building	28,999.63	-	-	28,999.63	13,342.44	-	352.29	-	13,694.73	15,304.90	15,657.19
3	Plant and Machinery	385.08	-	-	385.08	383.20	-	0.34	-	383.53	1.55	1.88
4	Electrical Installation	281.30	-	-	281.30	276.78	-	1.58	-	278.36	2.94	4.52
5	Vehicles	66.29	8.01	4.99	69.32	65.11	4.74	1.58	-	61.95	7.37	1.19
6	Office and Other Equipment	40.90	1.07	-	41.97	39.08	-	1.04	-	40.12	1.85	1.82
7	Furniture & Fixtures	32.50	-	-	32.50	30.08	-	0.64	-	30.72	1.78	2.42
	Capital Work In Progress:-											
	Machinery	232.42	-	-	232.42	-	-	-	-	-	232.42	232.42
	Intangible Assets:	-	-	-	-	-	-	-	-	-	-	-
	Total	43,918.54	9.09	4.99	43,922.64	14,136.68	4.74	357.47	-	14,489.40	29,433.23	29,781.86

*** Note : Previous year's figures have been regrouped wherever necessary to conform with this year's classification.**

*** Note: Capital-work in progress has been taken at cost.**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
4 Long Term Investments			
Investments, unquoted in equity instruments - fully paid up			
Phoenix Industries Ltd. (Subsidiary Company)	**271.05**	271.05	271.05
Phoenix Cement Ltd. (Subsidiary Company)	**1,308.47**	1,308.47	1,308.47
Phoenix Hydrocarbons Ltd.	**0.00**	0.00	0.00
Phoenix Power Development Corporation Ltd.	**0.00**	0.00	0.00
Focus Offshore Services Pvt. Ltd.	**0.00**	0.00	0.00
Bloomsbury Trading PTE Ltd., (Foreign Company)	**11.31**	11.31	11.31
Total	**1,590.83**	**1,590.83**	**1,590.83**
Aggregate book value of quoted investments	**-**	**-**	**-**
Aggregate market value of quoted investments	**-**	**-**	**-**
Aggregate book value of unquoted investments	**1,590.83**	**1,590.83**	**1,590.83**
Aggregate market value of quoted investments	**-**	**-**	**-**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
5 Long Term Loans (Unsecured considered good, unless otherwise stated)			
Financial Assets at Amortized Cost			
- Security Deposit	**1.54**	1.44	1.34
- Bank Deposits having maturity more than 12 months	**11.44**	11.34	9.30
	12.98	**12.78**	**10.64**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
6 Other Financial Non-Current Assets			
Financial Assets at Amortized Cost			
- Loans and Advances to Subsidiary Company	**392.38**	5,004.26	5,004.26
- Advance Paid to Suppliers - other, consider goods	**1,224.97**	473.69	2,474.69
- Other Advances	**2,073.40**	2,073.40	2,073.40
	3,690.75	**7,551.35**	**9,552.34**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
7 Other Non-Current Assets			
Security Deposits with Statutory Authorities	**26.12**	25.36	25.36
Deferred Expense for Employee Benefit	**-**	-	-
Prepayments of Leasehold Land Premium	**-**	-	-
Others	**-**	-	-
	26.12	**25.36**	**25.36**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
8 Inventories (at cost or net realizable value, whichever is lower)			
Raw Materials	**570.34**	471.84	358.24
Finished Goods	**-**	6.55	45.67
Work in Process	**88.98**	68.50	102.94
	659.31	**546.89**	**506.86**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
9 Trade Receivables *(unsecured and considered good, unless otherwise stated)*			
- Unsecured, considered good unless otherwise stated	**3,384.67**	2,537.19	2,744.76
- Doubtful	**-**	-	-
Less: Allowances for Doubtful Trade Receivables	**-**	-	-
	3,384.67	**2,537.19**	**2,744.76**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
10 Cash and Cash Equivalents			
Cash in Hand	**7.12**	2.17	4.67
Balance with Banks :			
- On Current Accounts	**4,845.71**	293.36	164.39
	4,852.83	**295.52**	**169.06**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
11 Short Term Loans			
Financial Assets at Amortized Cost			
- Unsecured, considered goods	**-**	-	-
- Due from others	**24.91**	26.43	12.57
- Staff advance	**2.79**	-	-
	27.71	**26.43**	**12.57**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
12 Other Financial Current Assets			
Financial Assets at Amortized Cost			
- Interest accrued but not due	**1.00**	1.14	0.61
- Advance to Suppliers	**2,249.51**	2,683.30	9.51
	2,250.51	**2,684.45**	**10.12**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
13 Other Current Assets (Unsecured considered good, unless otherwise stated)			
Prepaid Expenses	**2.59**	2.82	6.17
Balances and Deposits with Government Authorities & Others	**982.11**	733.89	744.52
	984.70	**736.72**	**750.68**

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
14. Equity Share Capital			
Authorised			
Equity Shares, Rs.10/- par value			
50,000,000 '(Previous Year '50,000,000)	**5,000.00**	5,000.00	5,000.00
	5,000.00	**5,000.00**	**5,000.00**
Issued, Subscribed and Paid-up			
Equity Shares, Rs.10/- par value			
16,789,560 Equity Shares Fully Paid Up	**1,678.96**	1,678.96	1,678.96
Total Issued, Subscribed and Fully Paid-Up Share Capital	**1,678.96**	**1,678.96**	**1,678.96**

(a) Reconciliation of the share outstanding at the beginning and at the end of the reporting period

(i) Equity Shares :

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Number of shares	INR in Lacs	Number of shares	INR in Lacs	Number of shares	INR in Lacs
At the beginning of the period	**16,789,560**	**1,678.96**	16,789,560	1,678.96	16,789,560	1,678.96
Add: Issued during the reporting period	**-**	**-**	-	-	-	-
Less: Bought back during the period	**-**	**-**	-	-	-	-
Outstanding at the end of period	**16,789,560**	**1,678.96**	**16,789,560**	**1,678.96**	**16,789,560**	**1,678.96**

(b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entiled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
		NIL	

*Shareholding is reduced due to buy back of shares

(d) Detail of shareholders holding more than 5% shares in the company

Names of Shareholders	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No. of shareholders	% of Shareholding	No. of shareholders	% of Shareholding	No. of shareholders	% of Shareholding
Mr. Ajay Kalsi	2,734,400	**16.29%**	2,734,400	**16.29%**	2,734,400	**16.29%**
Mayflower Management Services Pvt. Ltd.	2,880,000	**17.15%**	2,880,000	**17.15%**	2,880,000	**17.15%**
Spartan Management Services Pvt. Ltd.	2,880,000	**17.15%**	2,880,000	**17.15%**	2,880,000	**17.15%**
Vanguard Services Pvt. Ltd.	3,120,000	**18.58%**	3,120,000	**18.58%**	3,120,000	**18.58%**

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.

15. Other Equity

(INR in Lacs)

			Reserves & Surplus				Items of Other Comprehensive Income							Total
	Share application money pending allotment	Equity component of compound financial instruments	Accumalated reserve on revaluation of land & building	Securities Premium	General Reserve	Retained Earnings	Investments through other compreh-ensive income	Equity instruments through other compreh-ensive income	Effective portion of Preference Share	Revaluation on surplus	Exchange differences on translating the financial statemnets of a foreign operation	Other items of other compreh-ensive income	Money received against share warrant	
Balance as at 1 April 2016	**-**	**-**	**26,058.69**	**1,241.99**	**1,001.22**	**2,460.40**	**-**	**-**	**(30.01)**	**-**	**-**	**-**	**-**	**30,732.29**
Profit for the Year						(72.90)						(0.69)		(73.59)
Other Comprehensive Income for the year						251.11	-	-	**(6.86)**	-	-	-	-	244.25
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**178.21**	**-**	**-**	**(6.86)**	**-**	**-**	**(0.69)**	**-**	**170.66**
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on Buy Back of Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**-**	**26,058.69**	**1,241.99**	**1,001.22**	**2,638.61**	**-**	**-**	**(36.87)**	**-**	**-**	**(0.69)**	**-**	**30,902.95**

			Reserves & Surplus				Items of Other Comprehensive Income							Total
	Share application money pending allotment	Equity component of compound financial instruments	Accumalated reserve on revaluation of land & building	Securities Premium	General Reserve	Retained Earnings	Investments through other compreh-ensive income	Equity instruments through other compreh-ensive income	Effective portion of Preference Share	Revaluation on surplus	Exchange differences on translating the financial statemnets of a foreign operation	Other items of other compreh-ensive income	Money received against share warrant	
Balance as at 1 April 2017	**-**	**-**	**26,058.69**	**1,241.99**	**1,001.22**	**2,638.61**	**-**	**-**	**(36.87)**	**-**	**-**	**(0.69)**	**-**	**30,902.95**
Profit for the year						190.05						0.09		190.14
Other Comprehensive Income for the year						(60.24)			(7.07)					(67.30)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**129.81**	**-**	**-**	**(7.07)**	**-**	**-**	**0.09**	**-**	**122.84**
Balance as at 31 March 2018	**-**	**-**	**26,058.69**	**1,241.99**	**1,001.22**	**2,768.43**	**-**	**-**	**(43.94)**	**-**	**-**	**(0.60)**	**-**	**31,025.79**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
16 Long Term Borrowings		Non-Current	
Secured Term Loan			
Oriental Bank of Commerce	**8,557.62**	8,885.06	9,176.76
	8,557.62	**8,885.06**	**9,176.76**

Note:- Term Loan from Oriental Bank of Commerce is secured by way of Equitable Mortgage of Land and Building measuring 61,690 Sq. Meters at A-37, Sector 60, Noida.

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
17 Other Financial Non Current Liabilities			
Preference Share Capital	**243.94**	236.87	230.01
Securities Deposits	**264.18**	246.90	230.75
	508.12	**483.77**	**460.76**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
18 Long-Term Provisions			
Provision for Employee Benefits			
- Provision for Gratuity (unfunded)	**13.11**	11.43	9.26
	13.11	**11.43**	**9.26**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
19 Deferred Tax Liabilities (Net)			
Deferred Tax Liabilities (net)	**499.96**	674.31	743.69
	499.96	**674.31**	**743.69**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
20 Trade Payables			
Trade Payables (including acceptances)			
- More than 1 year	**35.69**	**-**	**-**
- Others	**3,375.59**	2,148.56	1,850.96
	3,411.28	**2,148.56**	**1,850.96**

Based on information available with the company there are no overdue amount payable to Micro, Small and Medium Enterprises, as defined in The Micro, Small and Medium Enterprises Development Act, 2006. This has been determined to the extent such parties have been identified on the basis of information available with the Company which has been relied upon by the Auditors.

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
21 Other Financial Liabilities			
- Current Maturities of Long Term Debts	**388.20**	301.32	222.60
- Salaries and Benefits	**8.76**	1.42	5.36
- Staff Security Deposits	**4.71**	-	-
	401.68	**302.74**	**227.96**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
22 Other Current Liabilities			
- Statutory Dues	**46.52**	21.62	6.04
- Advance Received from Customers	**0.51**	7.17	-
- Others Expenses	**11.31**	10.98	5.42
	58.34	**39.77**	**11.46**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
23 Short Term Provisions			
- Gratuity (Funded)	**1.28**	1.09	0.88
	1.28	**1.09**	**0.88**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
24 Current Tax Liabilities (Net)			
- Provision for Taxation	**404.12**	312.12	262.12
	404.12	**312.12**	**262.12**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
25 Revenue From Operations		
Sale of Products		
- Finished Goods	**1,756.00**	226.23
- Finished Goods (Deemed Exports)	**510.09**	2,290.20
Rental Income	**1,631.00**	1,573.60
Other Operating Revenue	**29.21**	-
	3,926.30	**4,090.03**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
26 Other Income		
Interest income on financial assets carried at amortized cost	**28.62**	24.93
Exchange Gain/ (Loss)	**-**	109.39
Sundry balances/liabilities / provisions no longer required, written back/off (net).	**2.43**	-
Other Non Operating Income	**7.39**	16.29
Net Gain on Sale of Plant, Property and Equipment	-	0.75
	38.44	**151.37**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
27 Cost of Materials Consumed		
Inventory at the beginning of the year	**471.84**	358.24
Add : Purchases	**1,609.15**	2,160.01
	2,080.99	2,518.25
Less: Inventory at the end of the year	**570.34**	471.84
Cost of Raw Material and Components Consumed	**1,510.65**	**2,046.41**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
28 Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade		
Inventories at the beginning of the year		
Work-in-Process	**68.50**	102.94
Finished Goods	**6.55**	45.67
	75.05	**148.61**
Less - Inventories at the end of the year		
Work-in-Process	**88.98**	68.50
Finished Goods	**-**	6.55
	88.98	**75.05**
Change in Inventories	**(13.93)**	**73.56**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
29 Employee Benefit Expenses		
Salaries, Wages and Other Allowances	**110.51**	85.95
Contribution to Provident and Other Funds	**3.45**	2.69
Staff Welfare Expense	**2.76**	3.48
	116.72	**92.12**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
30 Finance Costs		
Interest on		
- Defined Benifits	**0.90**	0.76
- Working Capital & Others	**1,038.31**	1,062.97
Bank & Other Charges	**8.99**	3.98
	1,048.21	**1,067.72**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
31 Other Expenses		
Water Charges	**1.38**	0.05
Consumption of Stores and Spares	**504.57**	483.44
Repair and Maintenance		
- Machinery repairs	**0.07**	0.05
- Building repairs	**0.35**	1.86
- Other repairs	**7.80**	6.15
Rent	**115.66**	8.95
Rates and Taxes	**0.36**	0.90
Insurance	**2.96**	2.51
Auditor Remuneration	**3.95**	2.70
Legal and Professional	**35.78**	25.55
Travelling and Conveyance	**8.36**	9.86
Printing and Stationery	**7.71**	9.19
Postage, Telegram and Telephones	**2.29**	3.18
Bad Debts written off / Excess income written off	**0.35**	59.57
Exchange Rate Fluctuation (net)	**65.23**	-
Increase / (Decrease) of Custom Duty	**5.37**	10.33
Charity and Donation	**0.13**	0.11
Miscellaneous Expenses	**76.06**	64.79
Selling Expenses and Freight and Forwarding Charges	**-**	7.24
	838.38	**696.42**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
32 Other Comprehensive Income (OCI)		
Items that will not be reclassified to profit or loss		
- Actuarial Gain / (Loss) on Defined Benefit Obligation	**(0.09)**	0.69
	(0.09)	**0.69**

33. First time adoption of Ind AS

These financial statements, for the year ended 31st March 2018, are the first the company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, 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 period ending on 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, 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 1st April 2016 and the financial statements as at and for the year ended 31st March 2017.

Exemptions applied

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

a) The Company has elected to consider carrying amount of all items of Property, Plant and Equipment's (PPE) except for Land and Building (which has been revalued) as per Indian GAAP, as deemed cost at the date of transition.

b) The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 01st April 2016.

c) The estimates at 1st April 2016 and at 31st March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items under Indian GAAP did not require estimation:

- Fair value of investments in unquoted equity instruments.
- Impairment of financial assets based on expected credit loss model
- Discount rates

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions that existed as at 1st April, 2016 and 31st March, 2017.

d) The Securities Deposit have been reclassified on the bases of their maturities from Current to Non-Current.

e) The Bank Deposit have been reclassified as Non-Current Assets which have maturity more than 12 months.

f) The Preference share capital has been reclassified as other financial non-current liabilities from Equity as per Ind As.

g) The Term Loan from Oriental Bank Of Commerce has been revalued as per Ind AS.(Loan Processing fees)

Notes to the reconciliation of equity as at 1st April 2016 and 31st March 2017 and Total Comprehensive Income for the year ended 31st March 2017

1. Fair Valuation of Investments

Under Indian GAAP, investments in equity instrumentswere classified as long term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary diminution in the value of investments. Current investments were carried at lower of cost and fair value. Ind AS requires such investments to be measured at fair value except investments in subsidiaries, associates and joint venture for which exemption has been availed.

Accordingly, the Company has designated investments in equity instruments as FVTPL investments. The difference between the instrument's fair value and Indian GAAP carrying amounthas been recognized in retained earnings.

2. Financial instruments measured at amortized cost

Under Indian GAAP, interest free loan to employees are recorded at their transaction value. Under Ind AS, these loans are to be measured at amortized cost on the basis of effective interest rate method.

3. Defined benefit obligation

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gain and loss, are charged to profit and loss. Under Ind AS, such actuarial gain and loss is to be recognized separately through Other Comprehensive Income. Thus, employee cost has been reduced and actuarial gain/loss has been recognized in OCI net of taxes.

4. Sale of Goods

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Thus, sale of goods under Ind AS has increased by the excise duty with a corresponding increase in other expenses.

5. Sale of Service

Under Indian GAAP and IND AS, sale of service presents as net of taxes.

6. Deferred Tax

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

7. Statement of cash flows

The transition from Indian GAAP to IND AS has not had a material impact on statement of cash flows.

33 (a) The following reconciliation provides the effect of the transactions to IND AS from IGAAP in accordance with IND AS 101.

Equity as at April 1st ,2016. **(INR in Lacs)**

	Particulars	As per previous GAAP	IND AS Adjustments	As per IND AS
	ASSETS			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	3,490.75	26,058.69	29,549.44
	(b) Capital Work-in-Progress	232.42	-	232.42
	(c) Financial Assets	-	-	-
	- Long Term Investments	1,590.83	-	1,590.83
	- Long Term Loans	11.94	(1.30)	10.64
	- Others Financial Non-Current Assets	9,552.34	-	9,552.34
	(d) Other Non-Current Assets	25.37	(0.01)	25.36
	Total Non-Current Assets	**14,903.65**	**26,057.38**	**40,961.04**
2	**Current Assets**			
	(a) Inventories	506.86	-	506.86
	(b) Financial Assets			
	- Trade Receivables	2,744.76	-	2,744.76
	- Cash and Cash Equivalents	169.06	-	169.06
	- Other Financial Current Assets	12.57	-	12.57
	(c) Current Tax Assets (net)	10.12	-	10.12
	(d) Other Current Assets	750.68	-	750.68
	Total Current Assets	4,194.06	-	4,194.06
	TOTAL ASSETS	**19,097.70**	**26,057.38**	**45,155.10**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	1,678.96	-	1,678.96
	(b) Other Equity	5,208.49	25,523.80	30,732.29
	Total Equity	6,887.44	25,523.80	32,411.25
	Liabilities			
1	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	- Long Term Borrowings	9,048.09	128.67	9,176.76
	- Other Financial Non Current Liabilities	766.90	(306.14)	460.76
	(b) Long Term Provisions	9.26	-	9.26
	(c) Deferred Tax Liabilities (net)	32.63	711.06	743.69
	Total Non-Current Liabilities	9,856.88	533.59	10,390.48
2	**Current Liabilities**			
	(a) Financial Liabilities			
	- Trade Payables	1,850.96	-	1,850.96
	- Other Financial Liabilities	227.96	-	227.96
	(b) Other Current Liabilities	11.46	-	11.46
	(c) Short Term Provisions	0.88	-	0.88
	(d) Current Tax Liabilities (net)	262.12	-	262.12
	Total Current Liabilities	2,353.38	-	2,353.38
	TOTAL EQUITY AND LIABILITIES	**19,097.70**	**26,057.40**	**45,155.10**

Note:

The Previous GAAP figures have been reclassified to confirm to presentation requirements of Schedule III applicable to a Company whose financial statements are required to be drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015

33 (b) Equity as at March 31 ,2017. **(INR in Lacs)**

	Particulars	As per previous GAAP	IND AS Adjustments	As per IND AS
		31.03.2017	31.03.2017	31.03.2017
	ASSETS			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	3,434.07	25,766.75	29,200.82
	(b) Capital Work-in-Progress	232.42	-	232.42
	(c) Financial Assets			
	- Long Term Investments	1,590.83	-	1,590.83
	- Long Term Loans	13.99	(1.21)	12.78
	- Others Financial Non-Current Assets	7,551.35	-	7,551.35
	(d) Other Non-Current Assets	25.37	-	25.37
	Total Non-Current Assets	**12,848.03**	**25,765.55**	**38,613.57**
2	**Current Assets**			
	(a) Inventories	546.89	-	546.89
	(b) Financial Assets			
	- Trade Receivables	2,537.19	-	2,537.19
	- Cash and Cash Equivalents	295.52	-	295.52
	- Other Financial Current Assets	26.43	-	26.43
	(c) Current Tax Assets (net)	2,684.45	-	2,684.45
	(d) Other Current Assets	736.71	-	736.71
	Total Current Assets	**6,827.19**	**-**	**6,827.19**
	TOTAL ASSETS	**19,675.22**	**25,765.55**	**45,440.76**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	1,678.96	-	1,678.96
	(b) Other Equity	4,741.48	26,161.47	30,902.95
	Total Equity	**6,420.44**	**26,161.47**	**32,581.90**
	Liabilities			
1	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	- Long Term Borrowings	8,997.86	(112.80)	8,885.06
	- Other Financial Non Current Liabilities	766.90	(283.12)	483.77
	(b) Long Term Provisions	11.43	-	11.43
	(c) Deferred Tax Liabilities (net)	674.31	-	674.31
	Total Non-Current Liabilities	**10,450.50**	**(395.93)**	**10,054.57**
2	**Current Liabilities**			
	(a) Financial Liabilities			
	- Trade Payables	2,148.56	-	2,148.56
	- Other Financial Liabilities	302.74	-	302.74
	(b) Other Current Liabilities	39.77	-	39.77
	(c) Short Term Provisions	1.09	-	1.09
	(d) Current Tax Liabilities (net)	312.12	-	312.12
	Total Current Liabilities	**2,804.29**	**-**	**2,804.29**
	TOTAL EQUITY AND LIABILITIES	**19,675.22**	**25,765.54**	**45,440.76**

Note:

The Previous GAAP figures have been reclassified to confirm to presentation requirements of Schedule III applicable to a company whose financial statements are required to be drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015

33 (c) Net Profit for the year ended March 31, 2017 **(INR in Lacs)**

	Particulars	As per previous GAAP	IND AS Adjustments	As per IND AS
		31.03.2017	31.03.2017	31.03.2017
	Revenue from Operations	4,090.03	-	4,090.03
	Other Income	151.28	0.09	151.37
I.	**Total Revenue**	**4,241.30**	**0.09**	**4,241.40**
II.	Expenses :			
	Cost of Materials Consumed	2,046.41	-	2,046.41
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	73.56	-	73.56
	Employee Benefit Expenses	93.57	(1.45)	92.12
	Finance Costs	1,041.16	26.56	1,067.72
	Depreciation and Amortization Expense	65.52	291.94	357.46
	Other Expenses	696.42	-	696.42
	Total Expenses	**4,016.63**	**317.05**	**4,333.68**
III.	**Profit/(Loss) before Tax (I-II)**	**224.67**	**(316.95)**	**(92.28)**
IV.	**Tax expense:**	-		
	(1) Current Tax	50.00	-	50.00
	(2) Deferred Tax	26.90	(96.28)	(69.38)
V.	Less: Prior Period Adjustments	-	-	-
VI.	**Profit (Loss) for the period (III-IV)**	**147.77**	**(220.67)**	**(72.90)**
VII.	**Other Comprehensive Income**			
A	**Items that will not be reclassified to profit or loss**			
	Actuarial Gain on Defined Benefit Obligation	-	-	-
	Deferred Tax Gain / (Loss) relating to items that will not be reclassified to Profit or Loss	-	(0.69)	(0.69)
	Income Tax relating to items that will not be reclassified to Profit or Loss	-	6.86	6.86
B	**Items that will be reclassified to profit or loss**			
	Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-
VIII.	**Total Comprehensive Income for the period (V+VI)**	**147.77**	**(214.50)**	**(66.73)**

34. Contingent Liabilities: (INR in Lacs)

	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
A. Contingent Liabilities			
Service Tax and Excise duty under dispute against which appeals have been filed / are being filed.	119.59	158.35	158.35

Notes:-

a) The company does not expect any reimbursement in respect of the above contingent liabilities.

b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at A above, pending resolution of the appellate proceedings.

35. Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits:

Gratuity plan: The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum Rs.10 lacs, vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The following tables set out the disclosures in respect of the gratuity plan as required under Ind AS 19.

(a) Changes in the present value of the obligations: (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Present value of defined benefit obligation at the beginning of the year	**12.52**	10.14	11.50
Interest cost	**0.90**	0.76	0.90
Current service cost	**1.06**	0.93	0.90
Benefits Paid	**-**	-	-
Actuarial (gain)/ loss on Obligations	**(0.09)**	0.69	(3.16)
Present value of defined benefit obligation at the end of the year	**14.39**	12.52	10.14

(b) Change in Fair Value of Plan Asset: (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Fair value of Plan Assets as at beginning of the year	**-**	-	-
Actual return on Plan Assets	**-**	-	-
Contributions	**-**	-	-
Benefits Paid	**-**	-	-
Fair value of Plan Assets as at end of the year	**-**	-	-

(c) Amount recognized in Balance Sheet: (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Present value obligation as at end of the year	**14.39**	12.52	10.14
Fair value of Plan Assets as at end of the year	**-**	-	-
Unfunded Net Asset/ (Liability) recognised in Balance Sheet.	**14.39**	12.52	10.14

d) Expenses recognized in Profit & Loss: (INR in Lacs)

Particulars	Gratuity	
	Financial Year 2017-18	**Financial Year 2016-17**
Current service cost	**1.06**	0.93
Interest cost	**0.90**	0.76
Total Expenses recognised in Profit & Loss Account	**1.96**	1.69

(e) Recognized in Other Comprehensive Income (OCI): (INR in Lacs)

Particulars	Gratuity	
	Financial Year 2017-18	**Financial Year 2016-17**
Net cumulative unrecognized actuarial gain/(loss) opening	(0.69)	—
OCI recognized during the year	**0.09**	(0.69)
Unrecognized actuarial gain/(loss) at the end of the year	(0.60)	(0.69)

(f) Investment details of Fund : (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Mutual Funds	**-**	-	-
Government Securities	**-**	-	-
Bank Balance	**-**	-	-
Bonds	**-**	-	-
TOTAL	**-**	-	-

(g) The principal actuarial assumption used for estimating the Company's defined benefit obligation are set out below:-

Weighted average actuarial assumptions

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Discount Rate (per annum)	**7.40%**	7.20%	7.50%
Rate of increase in compensation levels (per annum)	**10.00%**	10.00%	10.00%
Rate of return on plan assets (per annum)	**N.A.**	N.A.	N.A.
Expected Average remaining working lives of employees (years)	**18.00**	14.15	14.15
Method Used	**Projected Unit Credit**	Projected Unit Credit	Projected Unit Credit

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous GAAP on transition to IND AS.

(h) The quantitative sensitivity analysis on net liability recognized on account of change in significant assumptions:

(INR in Lacs)

Particulars	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Discount Rate			
1% Increase	**(0.82)**	(0.74)	(0.59)
1% decrease	**0.92**	0.82	0.66
Future Salary increase			
1% Increase	**0.88**	0.79	0.64
1% decrease	**(0.81)**	(0.72)	(0.58)
Life expectancy*			
Increase by 1 year	-	-	-
Decrease by 1 year	-	-	-

*As per Actuarial Certificate, sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

(i) The following payments are expected contributions to the defined benefit plan in future years (In absolute terms i.e. undiscounted):

(INR in Lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Within 1 year	1.28	1.09
After 1 Year	13.11	11.43
Total expected payments	**14.39**	**12.52**

36. The Company operates in two business segment viz. “Shoe Manufacturing” & “Rental Services of Immovable Properties”, both segments are reportable in accordance with the requirements of Ind AS -108 on “Operating Segments”, prescribed by Companies (Indian Accounting Standards) Rules 2015. The Company’s business activities primarily fall within single geographical segments.

A) PRIMARY SEGMENT INFORMATIONS **(INR in Lacs)**

	PARTICULARS	RENTAL		SHOES		OTHERS		GREND TOTAL	
		As at 31.03.2018	**As at 31.032017**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 31.03.2018**	**As at 31.03.2017**	**As at 31.03.2018**	**As at 31.03.2017**
I)	**Segment Revenue**	1,631.00	1,573.60	2,266.09	2,516.43	9.82	126.43	3,906.91	4,216.46
	Less : Excise Duty / Service Tax Recovered	-	-	-	-	-	-	-	-
	Net Turnover	**1,631.00**	**1,573.60**	**2,266.09**	**2,516.43**	**9.82**	**126.43**	**3,906.91**	**4,216.46**
II)	**Segment Results before interest and Tax**	980.89	979.33	127.57	(159.24)	9.82	126.43	1,11828	946.52
	Less : Interest Expenses	1.039.21	1,063.73	-	-	-	-	1,039.21	1,863.73
	Add : Interest Income	27.04	24.23	1.58	0.70	-	-	28.62	24.93
	Add : Exceptional Items	-	-	-	-	-	-	-	-
	Profit before Tax	(31.28)	(60.17)	129.15	(158.54)	9.82	126.43	107.69	(92.28)
	Current Tax	92.00	50.00	-	-	-	-	92.00	50.00
	Deferred Tax Liability	(174.36)	(69.38)	-	-	-	-	(174.36)	(69.38)
	Profit after Tax	**51.08**	**(40.79)**	**129.15**	**(158.54)**	**9.82**	**126.43**	**190.05**	**(72.90)**
III)	**OTHER INFORMATION**								
	Segment Assets	41,638.22	40,664.50	6,007.95	4,776.25	-	-	47,646.17	45,440.75
	Segment Liabilities	10,715.92	11,001.16	4,225.51	1,857.68	-	-	14,941.43	12,858.84
	Capital Expenditure	-	-	3.63	9.09	-	-	3.63	9.09
	Depreciation and Amortisation	352.50	353.88	4.52	3.59	-	-	357.02	357.47
	Non Cash Expenses other than Depreciation and Amortisation	-	-	-	-	-	-	-	-

A. SECONDARY SEGMENT INFORMATION

Particulars	**2017-18**	**2016-17**
I) Segment Revenue - External Turnover		
Within India	3,935.53	4,241.39
Outside India	-	-
Total Revenue	**3,935.53**	**4,241.39**
II) Segment Assets		
Within India	47,646.17	45,440.75
Outside India	-	-
Total Assets	**47,646,.17**	**45,440.75**
III) Segment Liability		
Within India	14,941.43	12,858.84
Outside India	-	-
Total Liability	**14,941.43**	**12,858.84**
IV) Capital Expenditure		
Within India	3.63	9.09
Outside India	-	-
Total Expenditure	**3.63**	**9.09**

37. Related Party Disclosure:

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

Disclosure of Related parties and relationship between parties:-

a) **Key Management Personnel** : Mr. P M Alexander (Director)
: Mr. Narendra Aggarwal (Director)
: Mr. Narender Makkar (Company Secretary)

b) **Related parties:-**

S.No.	Parties to whom the company is subsidiary /Associate Companies
1.	Phoenix Industries Limited (Subsidiary Company)
2.	Phoenix Cement Limited (Subsidiary Company)
3.	Focus Energy Limited (Associate Company)

c) **Related Party Transactions** (INR in Lacs)

Name of the Related Party	**Nature of Transactions**	**Volume of Transactions**	**As at 31.03.2018**	**As at 31.03.2017**
Mr. Narender Makkar	Directors Remuneration	25.92	4.32	-
Phoenix Industries Limited	Advance Recoverable		226.87	4840.00
Phoenix Industries Limited	Investments (Net of Provision)		271.05	271.05
Phoenix Cement Limited	Advance Recoverable		165.51	164.26
Phoenix Cement Limited	Investments (Net of Provision)		1,308.47	1,308.47
Focus Energy Limited	Sale of Goods	2,201.85	1,808.22	990.84
Focus Energy Limited	Advance to Supplier		3,331.12	2670.17
Phoenix Industries Limited	Other Advances		2,058.40	2,058.40
Phoenix Cement Limited	Other Advances		15.00	15.00

*** As the liabilities for gratuity, leave encashment and sick leave are provided on an actuarial basis for the Company as a whole, the amount pertaining thereto are not included in above.

38. Disclosures as required by Indian Accounting Standard (Ind AS) 17 Lease:-

Operating lease commitments:

(i) Company as lessor:-

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, godown etc.). These leasing arrangements, which are non-cancellable with range from 11 months to 99 years and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals receivable are charged as Rent under 'Rental Income'.

Future minimum lease payments under non-cancellable operating leases are as follows:

(INR in Lacs)

	As at 31 March 2018	**As at 31 March 2017**
Not later than one year	1667.46	1600.39
Later than one year but not later than five years	6307.55	6230.10
Later than five years	20791.81	19257.84
	28766.82	**27088.33**

(ii) Company as lessee:-

The total of future minimum lease payments under non cancellable operating leases for each of the following periods:

(INR in Lacs)

	As at 31 March 2018	As at 31 March 2017
Not later than one year	3.78	4.32
Later than one year but not later than five years	-	3.78
Later than five years	-	-
	3.78	**8.10**

39. Earnings per Share

The calculation of Earnings per Share (EPS) as disclosed in the Statement of Profit and Loss has been made in accordance with Ind AS- 33 on "Earnings per Share".

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

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Issued equity shares	16,789,560	16,789,560
Less: Buyback of Shares#	-	-
Number of Shares at the end	16,789,560	16,789,560
Weighted average shares outstanding - Basic and Diluted – A	16,789,560	16,789,560

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

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Profit and loss after tax for EPS – B(In Lacs)	197.21	(66.73)
Basic Earnings per share (B/A)	1.17	(0.40)
Diluted Earnings per share (B/A)	1.17	(0.40)

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

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

40. Income Tax:

a) Any change in the amount of deferred tax liability on account of change in the enacted tax rates and change in the quantum of depreciation allowable under the tax laws, is disclosed in the statement of profit and loss account as 'Deferred tax adjustment'.

b) Reconciliation of Deferred tax liabilities (Net)

(INR in Lacs)

Particulars	**As at 31st March 2018**	**As at 31st March 2017**	**As at 1st April 2016**
Balance at the beginning of the year	(674.31)	(743.69)	32.63
Deferred tax income/expenses during the year recognized in Statement of Profit and loss	174.35	69.38	(711.06)
Deferred tax income/expenses during the year recognized in Other Comprehensive income	-	-	-
Deferred tax income/expenses during the year recognized directly in equity	-	-	-
Balance at the end of the year	499.96	(674.31)	(743.69)

c) Reconciliation of tax expense and the Profit before tax multiplied by statutory tax rate: (INR in Lacs)

Particulars	**As at 31st March 2018**	**As at 31st March 2017**
Accounting profit before tax	107.69	-92.29
Tax at statutory income tax rate of 27.55%/19.06% (31 March 2017: 33.06%/19.06%)	29.67	-
Tax effect of the amounts not deductible for computing taxable income		
Depreciation Difference	61.29	68.84
Disallowance	0.76	1.68
Others	-	(20.52)
Differential treatment of Investment for income tax	-	-
Adjustment of current tax of prior periods	-	-
Income tax expense including items that are not reclassified to profit & loss	**91.72**	**50.00**

41. Financial Risk Management

The financial assets of the company include investments, loans, trade and other receivables, and cash and bank balances that derive directly from its operations.

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The company is mainly exposed to the following risks that arise from financial instruments:

(i) Market risk
(ii) Liquidity risk
(iii) Credit risk

The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk, foreign currency risk.

(a) Foreign currency risk

The company imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by hedging appropriately. The Company uses foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company's exposure to foreign currency risk was based on the following amounts as at the reporting dates: **(FC in Lacs)**

Particulars	**As at 31st March 2018**	**As at 31st March 2017**
Advance to suppliers		
-In GBP	0.09	0.10
-In USD	-	-
Net exposure to foreign currency risk (assets)		
-In GBP	**0.09**	**0.10**
-In USD	**-**	**-**
Trade Payables		
-In GBP	12.46	0.50
-In USD	4.67	4.73
-Foreign Exchange Forward Contracts bought foreign Currency in GBP	-	-
Net exposure to foreign currency risk (Liabilities)		
-In GBP	**12.46**	**0.50**
-In USD	**4.67**	**4.73**
Net exposure to foreign currency risk (Asset)		
-In GBP	**0.09**	**0.10**
-In USD	**-**	**-**

The following significant exchange rates applied during the year:

Particulars	2017-18 (Year end rates)	2016-17 (Year end rates)
INR/USD	65.08	64.81
INR/GBP	91.20	81.01

Foreign currency sensitivity analysis

Any changes in the exchange rate of EURO and USD against INR is not expected to have significant impact on the Company's profit due to the less exposure of these currencies. Accordingly, a 10% appreciation/depreciation of the INR as indicated below, against the EURO and USD would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant:

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
10% Strengthening/weakening of USD against INR	-	-
10% Strengthening/weakening of EURO against INR	-	-

The following table gives details in respect of outstanding foreign currency forward held by the company to mitigate the risk of changes in exchange rates on foreign currency exposures.

(FC in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
Contracts against export		
-In USD	-	-
Contracts against Import		
-In USD	-	-
-In EURO	-	-

(b) Interest Rate Risk

The company is exposed to interest rate risk because company borrows funds at fixed interest rate.

(ii) Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Ultimate responsibility of liquidity risk management rests with board of directors.

The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and marketable securities to meet the obligations as and when falls due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

(INR in Lacs)

Particulars	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Borrowings at effective rate of interest @11.85%			
With in 1 Year	388.20	301.32	222.60
More than 1 Years	8557.62	8885.06	9176.76
Trade Payables			
With in 1 Year	3411.28	2148.56	1850.96
More than 3 Years	-	-	-
Other Financial liabilities at EIR			
With in 1 Year	-	-	-
More than 3 Years	-	-	-

(iii) Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the company. The company takes due care while extending any credit as per the approval matrix approved by ECRM.

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial asset.

42. Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's gearing ratio was as follows:

(INR in Lacs)

Particulars	**Financial Year 2017-18**	**Financial Year 2016-17**
Borrowing	9,453.94	9,670.15
Less: Cash and cash equivalents	4,852.83	295.52
Net debt	4,601.11	9,374.63
Total equity	32,704.73	32,581.90
Capital and Net debt	37,305.84	41,956.53
Gearing ratio	**12.33**	22.34

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2018 and 31 March 2017.

43. In accordance with the Ind AS-36 on Impairment of Assets, the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

44. The Company owes dues of Rs Nil (previous year Rs. Nil) towards Micro and Small Enterprises, which are outstanding for more than 45 days as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

45. Previous Year figures have been regrouped/ reclassified wherever considered necessary.

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

INDEPENDENT AUDITORS' REPORT

To,
The Members
M/s. Phoenix International Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Phoenix International Limited ('the Holding Company') and its subsidiaries, which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss account (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income and consolidated cash flows and changes in equity of the Group including its Associates and Jointly controlled entities in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing 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 consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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:

(i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2018;

(ii) in the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

We did not audit the ûnancial statements of the subsidiaries, whose ûnancial statements reûect Total Assets of INR 5,283.16 Lac as at March 31, 2018, Total Revenues is Nil and net cash outflow amounting to INR1.32 Lac the year ended on that date, as considered in the consolidated ûnancial statements. These ûnancial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

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

(b) In our opinion, proper books of account as required by law relating to preparation of consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statement.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

(e) On the basis of written representations received from the Directors of the Holding Company as on March 31, 2018, under section 164(2) of the Companies Act, 2013, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the group companies, incorporated in India is disqualified as on March 31, 2018, from being appointed as a Director in terms of provisions of section 164(2) of the Companies Act, 2013; with respect to the adequacy of internal financial controls over financial reporting and operating effectiveness of such controls, refer to our audit report **"Annexure A"**, which is based on auditor's report of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India.

(f) 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), 2014, In our opinion and to the best of our information and according to the explanations given to us;

   (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group in its consolidated financial statements as referred to Note No. 34 to the Financial Statement;

   (ii) The Group Companies has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses;

   (iii) There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Date: 30.05.2018

For Pradip Bhardwaj & Co.
Chartered Accountants
Firm Registration No.: 013697C

(Pradip Bhardwaj)
Partner
M.No.500219

ANNEXURE –A TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Phoenix International Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India as of that date.

Managements Responsibility for Internal Financial Controls

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

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the of the subsidiary, in terms of their reports referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financials reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by ICAI.

Place: New Delhi
Date: 30.05.2018

For Pradip Bhardwaj & Co.
Chartered Accountants
Firm Registration No.: 013697C

(Pradip Bhardwaj)
Partner
M.No.500219

PHOENIX INTERNATIONAL LIMITED
CIN : L74899DL1987PLC030092
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(INR in Lacs)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
1 **Non-Current Assets**				
(a) Property, Plant and Equipment	3	**28,847.40**	29,200.81	29,549.44
(b) Capital Work-in-Progress		**461.17**	461.17	461.17
(c) Financial Assets				
- Long Term Investments	4	**2,378.56**	2,378.56	2,378.56
- Long Term Loans	5	**966.52**	966.32	964.18
- Others Financial Non-Current Assets	6	**1,224.97**	2,532.09	4,533.09
(d) Other Non-Current Assets	7	**26.12**	25.36	25.36
Total Non-Current Assets		**33,904.74**	35,564.31	37,911.80
2 **Current Assets**				
(a) Inventories	8	**684.87**	572.45	532.41
(b) Financial Assets				
- Trade Receivables	9	**3,406.29**	2,558.81	2,766.38
- Cash and Cash Equivalents	10	**4,906.32**	350.34	224.10
- Short Term Loans	11	**28.15**	27.19	13.32
- Other Financial Current Assets	12	**2,250.51**	2,684.45	10.12
(d) Other Current Assets	13	**985.85**	5,353.64	5,367.62
Total Current Assets		**12,261.98**	11,546.87	8,913.95
Total Assets		**46,166.72**	47,111.18	46,825.74
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	14	**1,678.96**	1,678.96	1,678.96
(b) Other Equity	15	**30,056.21**	29,943.90	29,781.60
Total Equity		**31,735.17**	31,622.85	31,460.56
Liabilities				
1 **Non-Current Liabilities**				
(a) Financial Liabilities				
- Long Term Borrowings	16	**8,407.10**	8,735.80	9,027.50
- Other Financial Non Current Liabilities	17	**508.12**	483.77	460.76
(b) Long Term Provisions	18	**15.23**	13.46	11.20
(c) Deferred Tax Liabilities (net)	19	**499.96**	674.31	743.69
Total Non-Current Liabilities		**9,430.42**	9,907.34	10,243.15
2 **Current Liabilities**				
(a) Financial Liabilities				
- Trade Payables	20	**3,411.28**	2,148.56	1,850.96
- Other Financial Liabilities	21	**401.68**	302.74	227.96
(b) Other Current Liabilities	22	**782.78**	2,816.48	2,780.11
(c) Short Term Provisions	23	**1.28**	1.09	0.88
(d) Current Tax Liabilities (net)	24	**404.12**	312.12	262.12
Total Current Liabilities		**5,001.13**	5,580.98	5,122.03
Total Equity and Liabilities		**46,166.72**	47,111.18	46,825.74
See Accompanying Notes Forming Part of the Financial Statements	**1 to 45**			

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
CIN : L74899DL1987PLC030092
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(INR in Lacs)

Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
Revenue from Operations	25	**3,926.30**	4,090.03
Other Income	26	**38.44**	151.37
I. **Total Revenue**		**3,964.75**	4,241.41
II. **Expenses :**			
Cost of Materials Consumed	27	**1,510.65**	2,046.41
Purchases of Stock-in-Trade		**-**	-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	28	**(13.93)**	73.56
Employee Benefit Expenses	29	**124.52**	98.27
Finance Costs	30	**1,048.21**	1,067.72
Depreciation and Amortization Expense	3	**357.02**	357.47
Other Expenses	31	**841.10**	698.62
Total Expenses		**3,867.58**	4,342.05
III. **Profit Before Tax**		**97.17**	(100.65)
IV **Tax Expense:**			
(1) Current Tax		**92.00**	50.00
(2) Deferred Tax		**(174.36)**	(69.38)
Total tax expense		**(82.36)**	(19.38)
V **Profit (Loss) For The Period**		**179.53**	(81.26)
VI **Other Comprehensive Income**			
A Items that will not be reclassified to Profit or Loss:			
Actuarial Gain / (Loss) on Defined Benefit Obligation	32	**0.09**	(0.69)
Finance Liability of Preference Share through OCI		**7.07**	6.86
Income Taxes relating to items that will not be reclassified to Profit or Loss		-	-
Deferred Taxes relating to items that will not be reclassified to Profit or Loss		-	-
B Items that will be reclassified to Profit or Loss:		-	-
Income Tax relating to items that will be reclassified to Profit or Loss			
VII **Total Comprehensive Income for the period (V+VI)**		**186.69**	(75.09)
Earnings per equity share			
Basic - Par value of ₹ 10 per share		1.11	(0.45)
Diluted - Par value of ₹ 10 per share		1.11	(0.45)
See Accompanying Notes Forming Part of the Financial Statements	**1 to 45**		

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
Consolidated Standalone Statement of Changes in Equity

(All amounts in INR Lacs, unless otherwise stated)

Particulars	As at 31st March 2018		As at 31st March 2017	
Equity Share Capital	**Number**	**Amount**	**Number**	**Amount**
Balance at the beginning of reporting period	16,789,560	1,678.96	16,789,560	1,678.96
Less: Bought back during the year	-	-	-	-
Balance at the closing of reporting period	16,789,560	1,678.96	16,789,560	1,679

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
CIN : L74899DL1987PLC030092
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(INR in Lacs)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	**97.17**	(100.65)
Adjustments for :		
Depreciation and Amortization	**357.02**	357.47
Interest Paid	**1048.21**	1067.72
Interest Received	**(28.62)**	(24.93)
Foreign Exchange Fluctuation Loss	**65.23**	(109.39)
(Profit)/Loss on Sale of Assets (net)	**0.00**	(0.75)
Provision for Gratuity	**1.68**	2.17
Liabilities / Provisions no longer required written back	**0.00**	0.00
Operating Profit Before Working Capital Changes	**1540.68**	1191.63
Adjustments for :		
Decrease/(Increase) in Trade & Other Receivables	**3519.34**	215.83
Decrease/(Increase) in Inventories	**(112.42)**	(40.03)
(Decrease)/Increase in Trade payables/Current Liabilities	**(2292.69)**	431.59
Cash Generation from Operations	**2654.92**	1799.01
Taxes Paid(Net)	**(82.36)**	(19.38)
NET CASH FLOW FROM OPERATING ACTIVITIES	**2572.57**	1779.63
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**(3.63)**	(9.09)
Sale of Fixed Assets	**0.02**	1.00
Interest Received	**28.76**	24.40
NET CASH FLOW FROM INVESTING ACTIVIITES	**25.14**	16.31
C. CASH FLOW FROM FINANCING ACTIVITIES		
Advances from Subsidiaries / Others	**3,208.48**	(672.81)
Repayment of Long Term Borrowing	**(225.39)**	49.95
Receiving of Long Term Borrowing	**7.06**	6.86
Security Deposits (Paid) / Received	**16.33**	14.01
Interest Paid	**(1048.21)**	(1067.72)
NET CASH FLOW FROM FINANCING ACTIVITIES	**1,958.28**	(1,669.70)
Net Increase in Cash and Cash Equivalents	**4555.99**	126.25
Cash and Cash Equivalents at the Beginning of the Year	**350.34**	224.09
Cash and Cash Equivalents at the End of the Year	**4906.32**	350.34
See accompanying notes forming part of the financial statements		

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

For and on behalf of the Board of Directors
Phoenix International Limited

per Pradip Bhardwaj
Partner
Membership No.: 500219

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED
Notes to Financial Statements

1. CORPORATE AND GENERAL INFORMATION

Phoenix International Limited ("the Company") is a Public Company domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and Bombay Stock Exchange (BSE) in India. The registered office of Company is situated at 3rd Floor, Gopala Tower, 25 Rajendra Place, New Delhi 110008, India.

Along with its subsidiaries, Phoenix International Limited is in the business of leasing out buildings and is a leading manufacturer and supplier of Shoes and Shoe Uppers in Chennai, India.

Phoenix International Limited together with its subsidiaries is herein after referred to as 'the Group'.

The Group's Consolidated Financial Statements were approved and adopted by board of directors of the Company in their meeting dated May 30, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES :

(a) Basis of preparation of Financial Statements

These consolidated financial statement are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules,2016.

The Group has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 33, 33(a), 33(b) & 33(c).

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of consolidation

Phoenix International consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

(b) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c) Revenue Recognition

The Group recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

(i) Sales of Goods

Revenue from the sale of goods is recognized, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of goods. It also includes excise duty and excludes value added tax / sales tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Lease Income

Lease income from operating leases shall be recognized in income on a straight line basis over the lease term.

(iii) Interest Income

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

(iv) Investment Income

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(d) Employees Benefits

(i) Short term Employee Benefits

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the Statement of Profit and Loss of the year in which the related service is rendered.

(ii) Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the group.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized in Other Comprehensive Income which are not reclassified to Consolidated Statement of Profit or Loss in subsequent periods.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Group depreciates property, plant and equipment over their estimated useful lives using the Written down value method for assets situated at Head Office and Chennai Branch of Phoenix International & Straight line method for others. The estimated useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013, are as follows:

Building	:	60 years.
Plant and Machinery	:	15 years
Office Equipment	:	5 -10 years
Computer Equipment	:	3 years
Furniture and fixtures	:	10 years
Vehicles	:	8 years.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

(f) Inventories

Inventories of raw materials, stores and spares, trading goods, work-in-process and finished goods are valued at cost or net realizable value, whichever is lower. 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. The cost in respect of the aforesaid items of inventory is computed as under:

- In case of raw materials, at weighted average cost plus direct expenses.
- In case of stores & spares, at weighted average cost plus direct expenses.
- In case of work-in-process, at raw material cost plus conversion cost depending upon the stage of completion.
- In case of finished goods, at raw material cost plus conversion cost, packing cost, excise duty and other overheads incurred to bring the goods to their present condition and location.

(g) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(h) Earnings per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity share holders of the group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances.

(i) Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

(j) Foreign Currency Transactions

(i) Functional and Presentation currency

The functional currency of the group is Indian rupee. These financial statements are presented in Indian Rupee (rounded off to lacs).

(ii) Transaction and Balances

The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statements of Profit and Loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on net basis.

(k) Leases

Leases under which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

(l) Financial Instruments

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

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except trade receivables which are recognized at transaction price.

(ii) Subsequent measurement

(a) Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

(iv) Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(b) Equity Share capital

(i) Equity Shares

Equity shares issued by the group are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

(ii) Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

(iii) Fair value measurement of financial instruments

The fair value of financial instruments is determined using the 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.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

(m) Impairment of Assets

a. Financial assets

The group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(n) Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of three months or less from the balance sheet date, which are subject to an insignificant risk of changes in value.

(o) Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 “Statement of Cash flows” using the indirect method for operating activities.

(p) Provisions, Contingent liabilities, Contingent assets and Commitments:

General

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

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Non-Current Assets

(3) Property, Plant and Equipment

As at 31 March 2018 **(INR in Lacs)**

Sr. No.	Particulars	Gross Block				Depreciation					Net Block	
		As at 1 April 2017	Additions	Sales/ Adjust-ments	As at 31 March 2018	As at 1 April 2017	Adjust-ments	Deprecia-tion for the year	Transferred to Retained earnings	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
	Tangible Assets:											
1	Land	13,880.43	-	-	13,880.43	-	-	-	-	-	13,880.43	13,880.43
2	Building	28,999.63	-	-	28,999.63	13,694.73	-	352.08	-	14,046.81	14,952.82	15,304.90
3	Plant and Machinery	385.08	0.92	-	386.00	383.53	-	0.41	-	383.94	2.06	1.55
4	Electrical Installation	281.30	-	-	281.30	278.36	-	0.42	-	278.78	2.52	2.94
5	Vehicles	69.32	-	-	69.32	61.95	-	2.27	-	64.22	5.10	7.37
6	Office and Other Equipment	41.97	1.53	0.45	43.05	40.12	0.43	1.25	-	40.94	2.11	1.85
7	Furniture & Fixtures	32.50	1.18	-	33.68	30.72	-	0.60	-	31.31	2.36	1.78
	Total	**43,690.22**	**3.63**	**0.45**	**43,693.40**	**14,489.40**	**0.43**	**357.02**	**-**	**14,846.00**	**28,847.40**	**29,200.81**
	Capital Work In Progress:-											
	Machinery	232.42	-	-	232.42	-	-	-	-	-	232.42	232.42
	Plant and Machinery - For Re Export	228.75	-	-	228.75	-	-	-	-	-	228.75	228.75
	Total	**461.17**	**-**	**-**	**461.17**	**-**	**-**	**-**	**-**	**-**	**461.17**	**461.17**
	Grand Total	**44,151.39**	**3.63**	**0.45**	**44,154.57**	**14,489.40**	**0.43**	**357.02**	**-**	**14,846.00**	**29,308.57**	**29,661.98**
	Previous Year	**43,918.54**	**9.09**	**4.99**	**43,922.64**	**14,136.68**	**4.74**	**357.47**	**-**	**14,489.40**	**29,433.23**	**29,781.86**

As at 31 March 2017

Sr. No.	Particulars	Gross Block				Depreciation					Net Block	
		As at 1 April 2016	Additions	Sales/ Adjust-ments	As at 31 March 2017	As at 1 April 2016	Adjust-ments	Deprecia-tion for the year	Transferred to Retained earnings	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
	Tangible Assets:											
1	Land	13,880.43	-	-	13,880.43	-	-	-	-	-	13,880.43	13,880.43
2	Building	28,999.63	-	-	28,999.63	13,342.44	-	352.29	-	13,694.73	15,304.90	15,657.19
3	Plant and Machinery	385.08	-	-	385.08	383.20	-	0.34	-	383.53	1.55	1.88
4	Electrical Installation	281.30	-	-	281.30	276.78	-	1.58	-	278.36	2.94	4.52
5	Vehicles	66.29	8.01	4.99	69.32	65.11	4.74	1.58	-	61.95	7.37	1.19
6	Office and Other Equipment	40.90	1.07	-	41.97	39.08	-	1.04	-	40.12	1.85	1.82
7	Furniture & Fixtures	32.50	-	-	32.50	30.08	-	0.64	-	30.72	1.78	2.42
	Total	**43,686.12**	**9.09**	**4.99**	**43,690.22**	**14,136.68**	**4.74**	**357.47**	**-**	**14,489.40**	**29,200.81**	**29,549.44**
	Capital Work In Progress:-											
	Machinery	232.42	-	-	232.42	-	-	-	-	-	232.42	232.42
	Plant and Machinery - For Re Export	228.75	-	-	228.75	-	-	-	-	-	228.75	228.75
	Total	**461.17**	**-**	**-**	**461.17**	**-**	**-**	**-**	**-**	**-**	**461.17**	**461.17**
	Grand Total	**44,147.29**	**9.09**	**4.99**	**44,151.39**	**14,136.68**	**4.74**	**357.47**	**-**	**14,489.40**	**29,661.98**	**30,010.61**

*** Note : Previous year's figures have been regrouped wherever necessary to conform with this year's classification.**

*** Note: Capital-work in progress has been taken at cost.**

(INR in Lacs)

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
4	**Long Term Investments**			
	Investments, unquoted in equity instruments - fully paid up			
	Super Bazar Co-operative Store Ltd.	**0.10**	0.10	0.10
	Phoenix Power Development Corporation Ltd.	**0.00**	0.00	0.00
	Pellefine Leather Inc., (Foreign Company)	**588.38**	588.38	588.38
	Yellow Valley Leasing and Finance Limited	**3.45**	3.45	3.45
	Savare Trade Enterprises Ltd.	**10.92**	10.92	10.92
	Buildwell Cement Ltd., (Foreign Company)	**1,764.40**	1,764.40	1,764.40
	Bloomsbury Trading PTE Ltd., (Foreign Company)	**11.31**	11.31	11.31
	Total	**2,378.56**	**2,378.56**	**2,378.56**
	Aggregate book value of quoted investments	**10.92**	**14.36**	**14.36**
	Aggregate market value of quoted investments	**18.14**	**18.14**	**18.14**
	Aggregate book value of unquoted investments	**2,349.50**	**2,346.06**	**2,346.06**
	Aggregate market value of quoted investments	**-**	**-**	**-**

(INR in Lacs)

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
5	**Long Term Loans (Unsecured considered good, unless otherwise stated)**			
	Financial Assets at Amortized Cost			
	- Security Deposit	**55.20**	55.10	55.00
	- Bank Deposits having maturity more than 12 months	**11.44**	11.34	9.30
	- Others	**899.88**	899.88	899.88
		966.52	**966.32**	**964.18**

(INR in Lacs)

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
6	**Other Financial Non-Current Assets**			
	Financial Assets at Amortized Cost			
	- Advance Paid to Suppliers - other, consider goods	**1,224.97**	473.69	2474.69
	- Other Advances	**-**	2,058.40	2058.4
		1,224.97	**2,532.09**	**4,533.09**

(INR in Lacs)

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
7	**Other Non-Current Assets**			
	Security Deposits with Statutory Authorities	**26.12**	25.36	25.36
		26.12	**25.36**	25.36

(INR in Lacs)

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
8	**Inventories (at cost or net realizable value, whichever is lower)**			
	Raw Materials	**589.13**	490.64	**377.04**
	Finished Goods	**6.76**	13.30	52.43
	Work In Process	**88.98**	68.50	102.94
		684.87	**572.45**	532.41

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
9 Trade Receivables *(unsecured and considered good, unless otherwise stated)*			
- Unsecured, considered good unless otherwise stated	**3,384.67**	2,537.19	2,744.76
- Doubtful	**21.62**	21.62	21.62
Less: Allowances for Doubtful Trade Receivables	**-**	-	-
	3,406.29	**2,558.81**	2,766.38

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
10 Cash and Cash Equivalents			
Cash in Hand	**21.95**	16.99	19.50
Balance with Banks :			
- On Current Accounts	**4,884.37**	333.35	204.60
	4,906.32	**350.34**	224.10

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
11 Short Term Loans			
Financial Assets at Amortized Cost			
- Unsecured, considered goods	**-**	-	-
- Due from others	**25.35**	27.19	13.32
- Staff advance	**2.79**	-	-
	28.15	**27.19**	**13.32**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
12 Other Financial Current Assets			
Financial Assets at Amortized Cost			
- Interest accrued but not due	**1.00**	1.14	0.61
- Advances to Suppliers	**2,249.51**	2,683.30	9.51
	2,250.51	**2,684.45**	10.12

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
13 Other Current Assets (Unsecured considered good, unless otherwise stated)			
Prepaid Expenses	**2.59**	2.82	6.17
Others	**0.97**	4,616.77	4,616.77
Balances and Deposits with Government Authorities & Others	**982.27**	734.05	744.68
	985.83	**5,353.64**	5,367.62

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
14. Equity Share Capital			
Authorised			
Equity Shares, ₹ 10/- par value			
50,000,000 (Previous Year 50,000,000)	**5,000.00**	5,000.00	5,000.00
	5,000.00	**5,000.00**	**5,000.00**
Issued, Subscribed and Paid-up			
Equity Shares, ₹ 10/- par value			
16,789,560 Equity Shares Fully Paid Up	**1,678.96**	1,678.96	1,678.96
Total Issued, Subscribed and Fully Paid-Up Share Capital	**1,678.96**	**1,678.96**	**1,678.96**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(i) Equity Shares :

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Number of shares	INR in Lacs	Number of shares	INR in Lacs	Number of shares	INR in Lacs
At the beginning of the period	**16,789,560**	**1,678.96**	16,789,560	1,678.96	16,789,560	1,678.96
Add: Issued during the reporting period	**-**	**-**	-	-	-	-
Less: Bought back during the period	**-**	**-**	-	-	-	-
Outstanding at the end of period	**16,789,560**	**1,678.96**	16,789,560	1,678.96	16,789,560	1,678.96

(b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entiled to receive any of the remaining assests of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
		NIL	

*Shareholding is reduced due to buy back of shares

(d) Details of shareholders holding more than 5% shares in the company

Names of Shareholders	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No. of shareholders	% of Shareholding	No. of shareholders	% of Shareholding	No. of shareholders	% of Shareholding
Mr. Ajay Kalsi	2,734,400	**16.29%**	2,734,400	**16.29%**	2,734,400	**16.29%**
Mayflower Management Services Pvt. Ltd.	2,880,000	**17.15%**	2,880,000	**17.15%**	2,880,000	**17.15%**
Spartan Management Services Pvt. Ltd.	2,880,000	**17.15%**	2,880,000	**17.15%**	2,880,000	**17.15%**
Vanguard Services Pvt. Ltd.	3,120,000	**18.58%**	3,120,000	**18.58%**	3,120,000	**18.58%**

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.

15. Other Equity

(INR in Lacs)

			Reserves & Surplus						Items of Other Comprehensive Income							Total
	Share application money pending allotment	Equity component of compound financial instruments	Accumalated reserve on revaluation of land & building	Securities Premium	Invest-ment Allowance Reserve	General Reserve	Capital reserve	Retained Earnings	Investments through other compreh-ensive income	Equity instruments through other compreh-ensive income	Effective portion of Preference Share	Revaluation on surplus	Exchange differences on translating the financial statemnets of a foreign operation	Other items of other compreh-ensive income	Money received against share warrant	
Balance as at 1 April 2016	**-**	**-**	**26,058.69**	**2,241.99**	**4.43**	**1,001.22**	**6,857.92**	**(6352.64)**	**-**	**-**	**(30.01)**	**-**	**-**	**-**	**-**	**29,781.60**
Profit for the year								(81.26)						(0.69)		(81.95)
Other Comprehensive Income for the year								251.11	-	-	(6.86)	-	-	-	-	244.25
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**169.85**	**-**	**-**	**(6.86)**	**-**	**-**	**(0.69)**	**-**	**162.30**
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on Buy Back of Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**-**	**26,058.69**	**2,241.99**	**4.43**	**1,001.22**	**6,857.92**	**(6182.79)**	**-**	**-**	**(36.87)**	**-**	**-**	**(0.69)**	**-**	**29,943.90**

			Reserves & Surplus						Items of Other Comprehensive Income							Total
	Share application money pending allotment	Equity component of compound financial instruments	Accumalated reserve on revaluation of land & building	Securities Premium	Invest-ment Allowance Reserve	General Reserve	Capital reserve	Retained Earnings	Investments through other compreh-ensive income	Equity instruments through other compreh-ensive income	Effective portion of Preference Share	Revaluation on surplus	Exchange differences on translating the financial statemnets of a foreign operation	Other items of other compreh-ensive income	Money received against share warrant	
Balance as at 1 April 2017	**-**	**-**	**26,058.69**	**2,241.99**	**4.43**	**1,001.22**	**6,857.92**	**(6182.79)**	**-**	**-**	**(36.87)**	**-**	**-**	**(0.69)**	**-**	**29,943.90**
Profit for the year							-	179.53						0.09		179.62
Other Comprehensive Income for the year								(60.24)			(7.07)					(67.30)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**119.29**	**-**	**-**	**(7.07)**	**-**	**-**	**0.09**	**-**	**112.31**
Balance as at 31 March 2018	**-**	**-**	**26,058.69**	**2,241.99**	**4.43**	**1,001.22**	**6,857.92**	**(6063.50)**	**-**	**-**	**(43.94)**	**-**	**-**	**(0.60)**	**-**	**30,056.21**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
16 Long Term Borrowings			
Secured Term Loan		Non-Current	
Oriental Bank of Commerce	**8,557.62**	8,885.06	9,176.76
Unsecured Loan	**(150.51)**	(149.26)	(149.26)
	8,407.10	**8,735.80**	9,027.50

Note:- Term Loan from Oriental Bank of Commerce is secured by way of Equitable Mortgage of Land and Building measuring 61,690 Sq. Meters at A-37, Sector 60, Noida.

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
17 Other Financial Non Current Liabilities			
Preference Share Capital	**243.94**	236.87	230.01
Securities Deposits	**264.18**	246.90	230.75
	508.12	**483.77**	**460.76**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
18 Long-Term Provisions			
Provision for Employee Benefits			
- Provision for Gratuity (unfunded)	**15.23**	13.46	11.20
	15.23	**13.46**	**11.20**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
19 Deferred Tax Liabilities (Net)			
Deferred Tax Liabilities (net)	**499.96**	674.31	743.69
	499.96	**674.31**	743.69

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
20 Trade Payables			
Trade Payables (including acceptances)			
- More than 1 year	**35.69**	**-**	**-**
- Others	**3,375.59**	2,148.56	1,850.96
	3,411.28	**2,148.56**	**1,850.96**

Based on information available with the company there are no overdue amount payable to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006. This has been determined to the extent such parties have been identified on the basis of information available with the Company which has been relied upon by the Auditors.

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
21 Other Financial Liabilities			
- Current Maturities of Long Term Debts	**388.20**	301.32	222.60
- Salaries and Benefits	**8.76**	1.42	5.36
- Staff Security Deposits	**4.71**	-	-
	401.68	**302.74**	**227.96**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
22 Other Current Liabilities			
- Statutory Dues	**46.52**	21.62	6.04
- Advance Received from Customers	**0.51**	7.17	-
- Others Expenses	**735.74**	2,787.69	2,774.07
	782.78	**2,816.48**	2,780.11

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
23 Short Term Provisions			
- Gratuity (funded)	**1.28**	1.09	0.88
	1.28	**1.09**	**0.88**

(INR in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
24 Current Tax Liabilities (Net)			
- Provision for Taxation	**404.12**	312.12	262.12
	404.12	**312.12**	**262.12**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
25 Revenue From Operations		
Sale of Products		
Finished Goods	**1,756.00**	226.23
Finished Goods (Deemed Exports)	**510.09**	2,290.20
Rental Income	**1,631.00**	1,573.60
Other Operating Revenue	**29.21**	-
	3,926.30	**4,090.03**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
26 Other Income		
Interest income on financial assets carried at amortized cost	**28.62**	24.93
Exchange Gain/ (Loss)	**-**	109.39
Sundry balances/liabilities / provisions no longer required, written back/off (net).	**2.43**	-
Other Non Operating Income	**7.39**	16.29
Net Gain on Sale of Plant, Property and Equipment	**-**	0.75
	38.44	**151.37**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
27 Cost of Materials Consumed		
Inventory at the beginning of the year	**471.84**	358.24
Add : Purchases	**1,609.15**	2,160.01
	2,080.99	2,518.25
Less: Inventory at the end of the year	**570.34**	471.84
Cost of Raw Material and Components Consumed	**1,510.65**	**2,046.41**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
28 Changes In Inventories Of Finished Goods, Work-In-Progress And Stock In Trade		
Inventories at the beginning of the year		
Work-in-Process	**68.50**	102.94
Finished Goods	**6.55**	45.67
	75.05	**148.61**
Less - Inventories at the end of the year		
Work-in-Process	**88.98**	68.50
Finished Goods	**-**	6.55
	88.98	75.05
Change in Inventory	**(13.93)**	73.56

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
29 Employee Benefit Expenses		
Salaries, Wages and Other Allowances	**118.31**	92.10
Contribution to Provident and Other Funds	**3.45**	2.69
Staff Welfare Expense	**2.76**	3.48
	124.52	98.27

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
30 Finance Costs		
Interest on		
- Interest Cost on Defind Benifits	**0.90**	0.76
- Working Capital & Others	**1,038.31**	1,062.97
Bank & Other Charges	**8.99**	3.98
	1,048.21	1,067.72

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
31 Other Expenses		
Water Charges	**1.38**	0.05
Consumption of Stores and Spares	**504.57**	483.44
Repair and Maintenance		
- Machinery repairs	**0.07**	0.05
- Building repairs	**0.35**	1.86
- Other repairs	**7.80**	6.15
Rent	**115.66**	8.95
Rates and Taxes	**0.36**	0.90
Insurance	**2.96**	2.51
Auditor Remuneration	**5.35**	3.39
Legal and Professional	**36.76**	25.59
Travelling and Conveyance	**8.36**	11.08
Printing and Stationery	**7.71**	9.19
Postage, Telegram and Telephones	**2.29**	3.18
Bad Debts written off / Excess income written off	**0.35**	59.57
Exchange Rate Fluctuation (net)	**65.23**	-
Increase / (decrease) of Custom Duty	**5.37**	10.33
Charity and Donation	**0.13**	0.11
Miscellaneous Expenses	**76.41**	65.05
Selling Expenses and Freight and Forwarding Charges	**-**	7.24
	841.10	**698.62**

(INR in Lacs)

	Year ended 31 March 2018	Year ended 31 March 2017
32 Other Comprehensive Income (OCI)		
Items that will not be reclassified to profit or loss		
- Actuarial Gain / (Loss) on Defined Benefit Obligation	**(0.09)**	0.69
	(0.09)	**0.69**

33. First time adoption of Ind AS

These Consolidated Financial Statements, for the year ended 31st March 2018, are the first the company Phoenix International Limited and its subsidiaries have prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Group prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, Group has prepared financial statements which comply with Ind AS applicable for period ending on 31stMarch 2018, together with the comparative period data as at and for the year ended 31stMarch 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1stApril 2016, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at 1stApril 2016 and the financial statements as at and for the year ended 31stMarch 2017.

Exemptions applied

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

a) The Group has elected to consider carrying amount of all items of Property, Plant and Equipment's (PPE) except for Land and Building (which has been revalued) as per Indian GAAP, as deemed cost at the date of transition.

b) The Group has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 01st April 2016.

c) The estimates at 1st April 2016 and at 31st March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items under Indian GAAP did not require estimation:

- Fair value of investments in unquoted equity instruments.
- Impairment of financial assets based on expected credit loss model
- Discount rates

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions that existed as at 1st April, 2016 and 31st March, 2017.

d) The Securities Deposit have been reclassified on the bases of their maturities from Current to Non-Current.

e) The Bank Deposit have been reclassified as Non-Current Assets which have maturity more than 12 months.

f) The Preference share capital has been reclassified as other financial non-current liabilities from Equity as per Ind As.

g) The Term Loan from Oriental Bank Of Commerce has been revalued as per Ind AS.(Loan Processing fees)

Notes to the reconciliation of equity as at 1st April 2016 and 31st March 2017 and Total Comprehensive Income for the year ended 31st March 2017

1. Fair Valuation of Investments

Under Indian GAAP, investments in equity instruments were classified as long term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary diminution in the value of investments. Current investments were carried at lower of cost and fair value. Ind AS requires such investments to be measured at fair value except investments in subsidiaries, associates and joint venture for which exemption has been availed.

Accordingly, the Group has designated investments in equity instruments as FVTPL investments. The difference between the instrument's fair value and Indian GAAP carrying amounthas been recognized in retained earnings.

2. Financial instruments measured at amortized cost

Under Indian GAAP, interest free loan to employees are recorded at their transaction value. Under Ind AS, these loans are to be measured at amortized cost on the basis of effective interest rate method.

3. Defined benefit obligation

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gain and loss, are charged to profit and loss. Under Ind AS, such actuarial gain and loss is to be recognized separately through Other Comprehensive Income. Thus, employee cost has been reduced and actuarial gain/loss has been recognized in OCI net of taxes.

4. Sale of Goods

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Thus, sale of goods under Ind AS has increased by the excise duty with a corresponding increase in other expenses.

5. Sale of Service

Under Indian GAAP and IND AS, sale of service presents as net of taxes.

6. Deferred Tax

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

7. Statement of Cash Flows

The transition from Indian GAAP to IND AS has not had a material impact on Consolidated Statement of Cash Flows.

33 (a) The following reconciliation provides the effect of the transaction to IND AS from IGAAP in accordance with IND AS 101. Equity as at April 1st ,2016.

(INR in Lacs)

	Particulars	As per previous GAAP	IND AS Adjustments	As per IND AS
	ASSETS			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	3,490.75	26,058.69	29,549.44
	(b) Capital work-in-progress	461.17	-	461.17
	(c) Intangible Assets	-	-	-
	(d) Financial Assets	-	-	-
	- Long term Investments	2,378.56	-	2,378.56
	- Long term Loans	965.48	(1.30)	964.18
	- Others financial non-current assets	4,533.09	-	4,533.09
	(e) Other non-current Assets	25.37	(0.01)	25.36
	Total of Non-current assets	**11,854.42**	**26,057.38**	**37,911.80**
2	**Current Assets**			
	(a) Inventories	532.41	-	532.41
	(b) Financial Assets			
	- Trade receivables	2,766.38	-	2,766.38
	- Cash and bank balances	224.10	-	224.10
	- Other financial current assets	13.32	-	13.32
	(c) Current tax assets (net)	10.12	-	10.12
	(d) Other current assets	5,367.62	-	5,367.62
	Total of Current Assets	**8,913.95**	**-**	**8,913.95**
	TOTAL OF ASSETS	**20,768.35**	**26,057.38**	**46,825.74**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	1,678.96	-	1,678.96
	(b) Other Equity	4,257.80	25,523.80	29,781.60
	Total of Equity	**5,936.76**	**25,523.80**	**31,460.56**
	Liabilities			
1	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	- Long term borrowings	8,898.83	128.67	9,027.50
	- Other financial non current liabilites	766.90	(306.14)	460.76
	(b) Long Term Provisions	11.20	-	11.20
	(c) Deferred tax liabilities (Net)	32.63	711.06	743.69
	Total of Non-current liabilities	**9,709.56**	**533.59**	**10,243.15**
2	**Current Liabilities**			
	(a) Financial Liabilities			
	- Trade payables	1,850.96	-	1,850.96
	- Other financial current liabilities	227.96	-	227.96
	(b) Other current liabilities	2,780.11	-	2,780.11
	(c) Short term provisions	0.88	-	0.88
	(d) Current tax liabilities (net)	262.12	-	262.12
	Total of Current liabilities	**5,122.03**	**-**	**5,122.03**
	TOTAL OF EQUITY AND LIABILITIES	**20,768.35**	**26,057.40**	**46,825.74**

Note:

The Previous GAAP figures have been reclassified to confirm to presentation requirements of Schedule III applicable to a Company whose financial statements are required to be drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015

33 (b) Equity as at March 31 ,2017.

(INR in Lacs)

	Particulars	As per previous GAAP	IND AS Adjustments	As per IND AS
		31.03.2017	**31.03.2017**	**31.03.2017**
	ASSETS			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	3,434.06	25,766.75	29,200.81
	(b) Capital work-in-progress	461.17	-	461.17
	(c) Financial Assets			
	- Long term Investments	2,378.56	-	2,378.56
	- Long term Loans	967.53	(1.21)	966.32
	- Others financial non-current assets	2,532.09	-	2,532.09
	(d) Other non-current Assets	25.37	(0.01)	25.36
	Total of Non-current assets	**9,798.78**	**25,765.54**	**35,564.31**
2	**Current assets**			
	(a) Inventories	572.45	-	572.45
	(b) Financial Assets			
	- Trade receivables	2,558.81	-	2,558.81
	- Cash and bank balances	350.34	-	350.34
	- Other financial current assets	27.19	-	27.19
	(c) Current tax assets (net)	2,684.45	-	2,684.45
	(d) Other current assets	5,353.65	-	5,353.64
	Total of Current assets	11,546.88	-	11,546.87
	TOTAL OF ASSETS	**21,345.65**	**25,765.54**	**47,111.18**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	1,678.96	-	1,678.96
	(b) Other Equity	3,782.43	26,161.47	29,943.90
	Total of Equity	5,461.39	26,161.47	31,622.85
	Liabilities			
1	**Non-current liabilities**			
	(a) Financial Liabilities			
	- Long term borrowings	8,848.60	(112.80)	8,735.80
	- Other financial non current liabilites	766.90	(283.12)	483.77
	(b) Long Term Provisions	13.46	-	13.46
	(c) Deferred tax liabilities (Net)	674.31	-	674.31
	Total of Non-current liabilities	10,303.27	(395.93)	9,907.34
2	**Current liabilities**			
	(a) Financial Liabilities			
	- Trade payables	2,148.56	-	2,148.56
	- Other financial current liabilities	302.74	-	302.74
	(b) Other current liabilities	2,816.48	-	2,816.48
	(c) Short term provisions	1.09	-	1.09
	(d) Current tax liabilities (net)	312.12	-	312.12
	Total of Current liabilities	5,581.00	-	5,580.99
	TOTAL OF EQUITY AND LIABILITIES	**21,345.65**	**25,765.54**	**47,111.18**

Note:

The Previous GAAP figures have been reclassified to confirm to presentation requirements of Schedule III applicable to a company whose financial statements are required to be drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015

33 (c) Net Profit for the year ended March 31, 2017

(INR in Lacs)

	Particulars	As per previous GAAP 31.03.2017	IND AS Adjustments 31.03.2017	As per IND AS 31.03.2017
	Revenue from operations (net)	4,090.03	-	4,090.03
	Other income	151.28	0.09	151.37
I.	**Total revenue**	**4,241.30**	**0.09**	**4,241.41**
II.	Expenses :			
	Cost of materials consumed	2,046.41	-	2,046.41
	Purchases of stock-in-trade	-	-	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	73.56	-	73.56
	Employee benefits expense	99.72	(1.45)	98.27
	Finance costs	1,041.16	26.56	1,067.72
	Depreciation and amortization	65.53	291.94	357.47
	Other expenses	698.62	-	698.62
	Total Expenses	**4,024.99**	**317.05**	**4,342.05**
III.	**Profit/(loss) before tax (I-II)**	**216.31**	**(316.95)**	**(100.64)**
IV.	**Tax expense:**			
	(1) Current tax	50.00	-	50.00
	(2) Deferred tax	26.90	(96.28)	(69.38)
V.	Less: Prior Period Adjustments	-	-	-
VI.	**Profit (Loss) for the period (III-IV)**	**139.41**	**(220.67)**	**(81.26)**
VII.	**Other Comprehensive Income**			
A	**Items that will not be reclassified to profit or loss**			
	Acturial gain on defined benefit obligation	-	-	-
	Deferred tax gain / (loss) relating to items that will not be reclassified to profit or loss	-	(0.69)	(0.69)
	Income tax relating to items that will not be reclassified to profit or loss	-	6.86	6.86
B	**Items that will be reclassified to profit or loss**			
	Income tax relating to items that will be reclassified to profit or loss	-	-	-
VIII.	**Total Comprehensive Income for the period (V+VI)**	**139.41**	**(214.50)**	**(75.09)**

34. Contingent Liabilities:

(INR in Lacs)

	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
A. Contingent Liabilities			
Service Tax and Excise duty under dispute against which appeals have been filed / are being filed.	**119.59**	158.35	158.35

Notes:-

a) The company does not expect any reimbursement in respect of the above contingent liabilities.

b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at A above, pending resolution of the appellate proceedings.

35. Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits:

Gratuity plan: The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum Rs.10 lacs, vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The following tables set out the disclosures in respect of the gratuity plan as required under Ind AS 19.

(a) Changes in the present value of the obligations: (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Present value of defined benefit obligation at the beginning of the year	**15.02**	12.25	13.38
Interest cost	**1.07**	0.92	1.00
Current service cost	**1.17**	1.03	1.04
Benefits Paid	-	-	-
Actuarial (gain)/ loss on Obligations	**(0.26)**	0.82	(3.17)
Present value of defined benefit obligation at the end of the year	**17.00**	15.02	12.25

(b) Change in Fair Value of Plan Asset: (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Fair value of Plan Assets as at beginning of the year	**-**	-	-
Actual return on Plan Assets	**-**	-	-
Contributions	**-**	-	-
Benefits Paid	**-**	-	-
Fair value of Plan Assets as at end of the year	**-**	-	-

(c) Amount recognized in Balance Sheet: (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	**Financial Year 2016-17**	**Financial Year 2015-16**
Present value obligation as at end of the year	**17.00**	15.02	12.25
Fair value of Plan Assets as at end of the year	**-**	-	-
Unfunded Net Asset/ (Liability) recognised in Balance Sheet.	**17.00**	15.02	12.25

d) Expenses recognized in Profit & Loss: (INR in Lacs)

Particulars	Gratuity	
	Financial Year 2017-18	**Financial Year 2016-17**
Current service cost	**1.17**	1.03
Interest cost	**1.07**	0.92
Total Expenses recognised in Profit & Loss Account	**2.24**	1.95

(e) Recognized in Other Comprehensive Income (OCI): (INR in Lacs)

Particulars	Gratuity	
	Financial Year 2017-18	**Financial Year 2016-17**
Net cumulative unrecognized actuarial gain/(loss) opening	**(0.82)**	—
OCI recognized during the year	**0.25**	(0.81)
Unrecognized actuarial gain/(loss) at the end of the year	**(0.57)**	(0.81)

(f) Investment details of Fund : (INR in Lacs)

Particulars	Gratuity		
	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Mutual Funds	**-**	-	-
Government Securities	**-**	-	-
Bank Balance	**-**	-	-
Bonds	**-**	-	-
TOTAL	**-**	-	-

(g) The principal actuarial assumption used for estimating the Company's defined benefit obligation are set out below:-

Weighted average actuarial assumptions

Particulars	Gratuity		
	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Discount Rate (per annum)	**7.40%**	7.20%	7.50%
Rate of increase in compensation levels (per annum)	**10.00%**	10.00%	10.00%
Rate of return on plan assets (per annum)	**N.A.**	N.A.	N.A.
Expected Average remaining working lives of employees (years)	**18.00**	14.15	20.00
Method Used	**Projected Unit Credit**	Projected Unit Credit	Projected Unit Credit

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous GAAP on transition to IND AS.

(h) The quantitative sensitivity analysis on net liability recognized on account of change in significant assumptions:

(INR in Lacs)

Particulars	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Discount Rate			
1% Increase	**(0.99)**	(0.90)	(0.73)
1% decrease	**1.10**	1.01	0.82
Future Salary increase			
1% Increase	**1.06**	0.97	0.79
1% decrease	**(0.97)**	(0.89)	(0.72)
Life expectancy*			
Increase by 1 year	-	-	-
Decrease by 1 year	-	-	-

*As per Actuarial Certificate, sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

(i) The following payments are expected contributions to the defined benefit plan in future years (In absolute terms i.e. undiscounted):

(INR in Lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Within 1 year	**1.51**	1.30
After 1 Year	**15.49**	13.72
Total expected payments	**17.00**	**12.52**

36. The Company operates in two business segment viz. "Shoe Manufacturing" & "Rental Services of Immovable Properties", both segments are reportable in accordance with the requirements of Ind AS -108 on "Operating Segments", prescribed by Companies (Indian Accounting Standards) Rules 2015. The Company's business activities primarily fall within single geographical segments.

SEGMENT REPORTING

A) PRIMARY SEGMENT INFORMATIONS **(INR in Lacs)**

	PARTICULARS	RENTAL		SHOES		OTHERS		GREND TOTAL	
		As at 31.03.2018	As at 31.032017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
I)	**Segment Revenue**	1,631.00	1,573.60	2,266.09	2,516.43	9.82	126.43	3,906.91	4,216.46
	Less : Excise Duty / Service Tax Recovered	-	-	-	-	-	-	-	-
	Net Turnover	**1,631.00**	**1,573.60**	**2,266.09**	**2,516.43**	**9.82**	**126.43**	**3,906.91**	**4,216.46**
II)	**Segment Results before interest and Tax**	980.89	979.33	127.57	(159.24)	(0.70)	118.07	1,107.76	938.16
	Less : Interest Expenses	1.039.21	1,063.73	-	-	-	-	1,039.21	1,063.73
	Add : Interest Income	27.04	24.23	1.58	0.70	-	-	28.62	24.93
	Add : Exceptional Items	-	-	-	-	-	-	-	-
	Profit before Tax	(31.28)	(60.17)	129.15	(158.54)	(0.07)	118.07	91.17	(100.64)
	Current Tax	92.00	50.00	-	-	-	-	92.00	50.00
	Deferred Tax Liability	(174.36)	(69.38)	-	-	-	-	(174.36)	(69.38)
	Profit after Tax	**51.08**	**(40.79)**	**129.15**	**(158.54)**	**0.70**	**118.07**	**179.53**	**(81.26)**
III)	**OTHER INFORMATION**								
	Segment Assets	37,592.00	34,065.71	4,922.95	4,776.25	3,651.77	8,269.22	46,166.72	47,111.18
	Segment Liabilities	10,567.52	10,853.94	3,139.59	1,857.68	724.44	2,776.70	14,431.55	15,488.32
	Capital Expenditure	-	-	3.63	9.09	-	-	3.63	9.09
	Depreciation and Amortisation	352.50	353.88	4.52	3.59	-	-	357.02	357.47
	Non Cash Expenses other than Depreciation and Amortisation	-	-	-	-	-	-	-	-

A. SECONDARY SEGMENT INFORMATION

Particulars	2017-18	2016-17
I) Segment Revenue - External Turnover		
Within India	3,935.53	4,241.39
Outside India	-	-
Total Revenue	**3,935.53**	**4,241.39**
II) Segment Assets		
Within India	46,166.72	47,111.18
Outside India	-	-
Total Assets	**46,166.72**	**47,111.18**
III) Segment Liability		
Within India	14,431.55	15,488.32
Outside India	-	-
Total Liability	**14,431.55**	**15,488.32**
IV) Capital Expenditure		
Within India	3.63	9.09
Outside India	-	-
Total Expenditure	**3.63**	**9.09**

37. Related Party Disclosure:

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

Disclosure of Related parties and relationship between parties:-

a) **Key Management Personnel** : Mr. P M Alexander (Director)
: Mr. Narendra Aggarwal (Director)
: Mr. Narender Makkar (Company Secretary)

b) **Related parties:-**

S.No.	Parties to whom the company is subsidiary /Associate Companies
1.	Phoenix Industries Limited (Subsidiary Company)
2.	Phoenix Cement Limited (Subsidiary Company)
3.	Focus Energy Limited (Associate Company)

c) **Related Party Transactions** (INR in Lacs)

Name of the Related Party	Nature of Transactions	Volume of Transactions	As at 31.03.2018	As at 31.03.2017
Mr. Narender Makkar	Directors Remuneration	25.92	**4.32**	-
Focus Energy Limited	Sale of Goods	2,201.85	**1,808.22**	990.84
Focus Energy Limited	Advance to Supplier	-	**3,331.12**	2670.17
Focus Energy Limited	Unsecured Loan	-	**1899.40**	1899.40
Focus Energy Limited	Payable on Current A/c	-	**176.38**	176.38
Spartan Agro Industries Limited	Unsecured Loan	**30.00**	30.00	
Focus Energy Limited	—	0.31	**(0.44)**	(0.75)

*** As the liabilities for gratuity, leave encashment and sick leave are provided on an actuarial basis for the Company as a whole, the amount pertaining thereto are not included in above.

38. Disclosures as required by Indian Accounting Standard (Ind AS) 17 Lease:-

Operating lease commitments:

(i) Company as lessor:-

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, godown etc.). These leasing arrangements, which are non-cancellable with range from 11 months to 99 years and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals receivable are charged as Rent under 'Rental Income'.

Future minimum lease payments under non-cancellable operating leases are as follows:

(INR in Lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Not later than one year	1667.46	1600.39
Later than one year but not later than five years	6307.55	6230.10
Later than five years	20791.81	19257.84
	28766.82	**27088.33**

(ii) Company as lessee:-

The total of future minimum lease payments under non cancellable operating leases for each of the following periods:

(INR in Lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Not later than one year	**3.78**	4.32
Later than one year but not later than five years	**-**	3.78
Later than five years	**-**	-
	3.78	**8.10**

39. Earnings per Share

The calculation of Earnings per Share (EPS) as disclosed in the Statement of Profit and Loss has been made in accordance with Ind AS- 33 on "Earnings per Share".

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

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Issued equity shares	**16,789,560**	16,789,560
Less: Buyback of Shares#	**-**	-
Number of Shares at the end	**16,789,560**	16,789,560
Weighted average shares outstanding - Basic and Diluted – A	**16,789,560**	**16,789,560**

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

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Profit and loss after tax for EPS – B(In Lacs)	186.69	(75.09)
Basic Earnings per share (B/A)	1.11	(0.45)
Diluted Earnings per share (B/A)	1.11	(0.45)

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

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

40. Income Tax:

a) Any change in the amount of deferred tax liability on account of change in the enacted tax rates and change in the quantum of depreciation allowable under the tax laws, is disclosed in the statement of profit and loss account as 'Deferred tax adjustment'.

b) Reconciliation of Deferred tax liabilities (Net)

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balance at the beginning of the year	**(674.31)**	(743.69)	32.63
Deferred tax income/expenses during the year recognized in Statement of Profit and loss	**174.35**	69.38	(711.06)
Deferred tax income/expenses during the year recognized in Other Comprehensive income	**-**	-	-
Deferred tax income/expenses during the year recognized directly in equity	**-**	-	-
Balance at the end of the year	**499.96**	(674.31)	(743.69)

41. Financial Risk Management

The financial assets of the company include investments, loans, trade and other receivables, and cash and bank balances that derive directly from its operations.

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The company is mainly exposed to the following risks that arise from financial instruments:

(i) Market risk

(ii) Liquidity risk

(iii) Credit risk

The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk, foreign currency risk.

(a) Foreign currency risk

The company imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by hedging appropriately. The Company uses foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company's exposure to foreign currency risk was based on the following amounts as at the reporting dates:

(FC in Lacs)

Particulars	**As at 31st March 2018**	**As at 31st March 2017**
Advance to suppliers		
-In GBP	0.09	0.10
-In USD	-	-
Net exposure to foreign currency risk (assets)		
-In GBP	**0.09**	**0.10**
-In USD	**-**	**-**
Trade Payables		
-In GBP	12.46	0.50
-In USD	4.67	4.73
-Foreign Exchange Forward Contracts bought foreign Currency in GBP	-	-
Net exposure to foreign currency risk (Liabilities)		
-In GBP	**12.46**	**0.50**
-In USD	**4.67**	**4.73**
Net exposure to foreign currency risk (Asset)		
-In GBP	**0.09**	**0.10**
-In USD	**-**	**-**

The following significant exchange rates applied during the year:

Particulars	**2017-18 (Year end rates)**	**2016-17 (Year end rates)**
INR/USD	65.08	64.81
INR/GBP	91.20	81.01

Foreign currency sensitivity analysis

Any changes in the exchange rate of EURO and USD against INR is not expected to have significant impact on the Company's profit due to the less exposure of these currencies. Accordingly, a 10% appreciation/depreciation of the INR as indicated below, against the EURO and USD would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant:

(INR in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
10% Strengthening/weakening of USD against INR	-	-
10% Strengthening/weakening of EURO against INR	-	-

The following table gives details in respect of outstanding foreign currency forward held by the company to mitigate the risk of changes in exchange rates on foreign currency exposures.

(FC in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
Contracts against export		
-In USD	-	-
Contracts against Import		
-In USD	-	-
-In EURO	-	-

(b) Interest Rate Risk

The group is exposed to interest rate risk because group borrows funds at fixed interest rate.

(ii) Liquidity Risk

The financial liabilities of the group, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Ultimate responsibility of liquidity risk management rests with board of directors.

The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and marketable securities to meet the obligations as and when falls due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

(INR in Lacs)

Particulars	Financial Year 2017-18	Financial Year 2016-17	Financial Year 2015-16
Borrowings at effective rate of interest @11.85%			
Within 1 Year	**388.20**	301.32	222.60
More than 1 Year	**8557.62**	8885.06	9176.76
Trade Payables			
Within 1 Year	**3411.28**	2148.56	1850.96
More than 3 Years	-	-	-
Other Financial liabilities at EIR			
Within 1 Year	-	-	-
More than 3 Years	-	-	-

(iii) Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the company. The company takes due care while extending any credit as per the approval matrix approved by ECRM.

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial asset.

42. Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's gearing ratio was as follows:

(INR in Lacs)

Particulars	Financial Year 2017-18	Financial Year 2016-17
Borrowing	**9,303.42**	9,520.89
Less: Cash and cash equivalents	**4,906.32**	350.34
Net debt	**4,397.10**	9,170.55
Total equity	**31,735.17**	31,622.85
Capital and Net debt	**36,132.27**	40,793.40
Gearing ratio	**12.17**	22.48

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2018 and 31 March 2017.

43. In accordance with the Ind AS-36 on Impairment of Assets, the Group has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

44. The Group owes dues of Rs Nil (previous year Rs. Nil) towards Micro and Small Enterprises, which are outstanding for more than 45 days as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

45. Previous Year figures have been regrouped/ reclassified wherever considered necessary.

As per our report of even date attached

For Pradip Bhardwaj & Co.,
Chartered Accountants
Firm Registration No.: 013697C

per Pradip Bhardwaj
Partner
Membership No.: 500219

For and on behalf of the Board of Directors
Phoenix International Limited

Narender Makkar
Company Secretary

Narendra Aggarwal
Director
DIN : 00027347

P. M. Alexander
Director
DIN : 00050022

Mr. Baby Kutty
Chief Finance Officer

Place : New Delhi
Date : 30.05.2018

PHOENIX INTERNATIONAL LIMITED

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company	**PHOENIX INTERNATIONAL LIMITED**
CIN	**L74899DL1987PLC030092**
Registered Office	**3rd Floor, Gopala Tower, 25 Rajendra Place, New Delhi-110008**
Name of the Member(s)	
Registered Office	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) holds .... shares of the above named company. Hereby appoint

Name:	
Address:	
E-mail Id:	
Signature, or failing him	

Name:	
Address:	
E-mail Id:	
Signature, or failing him	

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the company, to be held on the 28th day of September, 2018 at 10.00 a.m. at Lok Kala Manch, 20 INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI – 110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No	Resolutions	No of Shares	Assent to the Resolution	Dessent to the Resolution
1	**ORDINARY BUSINESS**			
	To adopt Audited Financial Statements of the Company (including Audited consolidated financial statements) for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon			
2.	To appoint Director in place of Mr. Narendra Aggarwal (DIN: 00027347) who retires by rotation and being eligible, offers himself for reappointment			
3.	To ratify the appointment of the Auditors and fix their remuneration			

Signed this .... day of 2018

Affix Re. 1/- Revenue Stamp

..
Signature of Shareholder

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

PHOENIX INTERNATIONAL LIMITED

ASSENT /DESSENT FORM FOR VOTING ON ANNUAL GENERAL MEETING RESOLUTIONS

1. Regd. Folio No. / DP ID - Client ID : ....
2. Name & Address of First/Sole Shareholder : ....
3. No. of Shares held : ....
4. I/We hereby exercise my /our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting dated 28th September 2017 at 10.00am by conveying my /our assent / dessent to the resolutions by placing tick (✓) mark in the appropriate box below :-

Sr. No	Resolutions	No of Shares	Assent to the Resolution	Dessent to the Resolution
1	**ORDINARY BUSINESS**			
	To adopt Audited Financial Statements of the Company (including Audited consolidated financial statements) for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon			
2.	To appoint Director in place of Mr. Narendra Aggarwal (DIN: 00027347) who retires by rotation and being eligible, offers himself for reappointment			
3.	To ratify the appointment of the Auditors and fix their remuneration			

....

Signature of the Member/Authorized Representative

Place :-

Date :-

Note:-

i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form

ii) Please read the instruction carefully before exercising your vote.

LOK KALA MANCH

20, Lodhi Road, Behind Sai Baba Mandir, Institutional Area, Gokalpuri, Institutional Area, Lodi Colony, New Delhi, Delhi 110003