



# D.C. CHHAJED & ASSOCIATES

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
DETS LIMITED

307, R.G. Trade Tower,  
Netaji Subhash Place,  
Pitampura, New Delhi-110034,  
Tel.: 011-42137755  
Email: dcchhajed@gmail.com

#### Opinion

We have audited the accompanying financial statements of **DETS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Responsibility of Management for Standalone Financial Statement

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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of financial statements is included in Annexure "A" of this Auditors report of DETS Limited for the financial year ending March 31,2019.

### **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 section 143(11) of the Act, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, The Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



# **D. C. CHHAJED & ASSOCIATES**

**Chartered Accountants**

**Off : 307, RG Trade Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034**

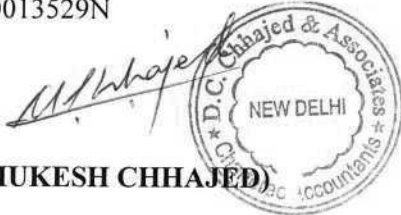
**Phone : 011-42137755 # E-mail : [dcchhajer@gmail.com](mailto:dcchhajer@gmail.com)**

- f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company did not have any pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
  - iii. As explained, there has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR D. C. CHHAJED & ASSOCIATES**

Chartered Accountants

FRN: 0013529N



**(CA. MUKESH CHHAJED)**

Partner

Membership No. 096778

Place: New Delhi

Date: May 14, 2019

# D. C. CHHAJED & ASSOCIATES

Chartered Accountants

Off : 307, RG Trade Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034

Phone : 011-42137755 # E-mail : [dcchhajer@gmail.com](mailto:dcchhajer@gmail.com)

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in the auditor's report of DETS LIMITED for the year ended March 31, 2019.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## FOR D. C. CHHAJED & ASSOCIATES

Chartered Accountants

FRN: 0013529N

CA. MUKESH CHHAJED - Partner

Membership No. 096778

Place: New Delhi

Date: May 14, 2019





# D. C. CHHAJED & ASSOCIATES

Chartered Accountants

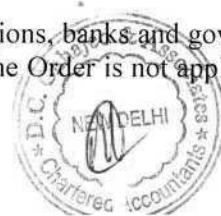
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## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DETS Limited of even date)

- i. In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to one bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - a) The terms and conditions of the grant of such loans are, in our opinion, prima-facie, not prejudicial to the Company's interest.
  - b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - c) There is no overdue amount remaining outstanding as at the year end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.



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- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

## FOR D. C. CHHAJED & ASSOCIATES

Chartered Accountants

FRN: 0013529N

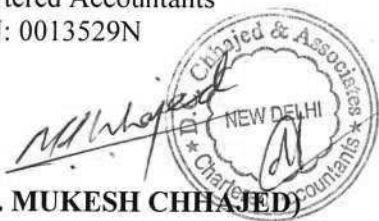
(CA. MUKESH CHHAJED)

Partner

Membership No. 096778

Place: New Delhi

Date: May 14, 2019



# **D. C. CHHAJED & ASSOCIATES**

**Chartered Accountants**

**Off : 307, RG Trade Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034**

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## **ANNEXURE 'C' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DETS Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting 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 DETS LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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



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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.

## **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.

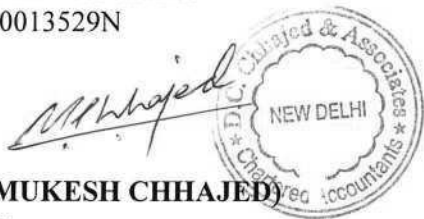
## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **FOR D. C. CHHAJED & ASSOCIATES**

Chartered Accountants

FRN: 0013529N



**(CA. MUKESH CHHAJED)**

Partner

Membership No. 096778

Place: New Delhi

Date: May 14, 2019



**DETS LIMITED**  
CIN: U74900UP2011PLC045167  
**BALANCE SHEET AS AT MARCH 31, 2019**

(Amount in INR)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
	<b>ASSETS</b>			
(1)	<b>Non - current assets</b>			
	(a) Property, plant and equipment	4	17,27,131	22,65,968
	(b) Deferred tax asset (net)	5	-	30,46,632
	(c) Other non - current assets	6	-	32,99,375
	<b>Sub total (Non current assets)</b>		<b>17,27,131</b>	<b>86,11,975</b>
(2)	<b>Current assets</b>			
	(a) Inventories	7	9,24,584	9,24,584
	(b) Financial assets			
	(i) Investments	8	-	-
	(ii) Trade receivables	9	-	8,34,547
	(iii) Cash and cash equivalents	10	3,43,418	23,40,543
	(iv) Loans	11	1,75,00,000	1,75,00,000
	(v) Other financial assets	12	5,21,748	23,04,246
	(c) Other current assets	13	52,03,703	34,55,411
	<b>Sub total (Current assets)</b>		<b>2,44,93,454</b>	<b>2,73,59,331</b>
	<b>Total assets</b>		<b>2,62,20,584</b>	<b>3,59,71,306</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	(a) Equity share capital	14	84,00,000	84,00,000
	(b) Other equity	15	1,46,34,337	1,71,63,745
	<b>Sub total (Equity)</b>		<b>2,30,34,337</b>	<b>2,55,63,745</b>
	<b>LIABILITIES</b>			
(1)	<b>Non Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	16(i)	-	50,00,000
(2)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	16(i)	-	-
	(ii) Trade payables	17	65,239	9,79,298
	(iii) Other financial liabilities	18	27,07,070	35,21,975
	(b) Other current liabilities	19	4,13,938	9,06,288
	<b>Sub total (Current liabilities)</b>		<b>31,86,247</b>	<b>1,04,07,561</b>
	<b>Total Equity &amp; Liabilities</b>		<b>2,62,20,584</b>	<b>3,59,71,306</b>

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As per our report of even date.

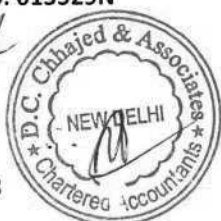
For D C Chhajed & Associates  
Chartered Accountants  
ICAI Firm Registration no: 013529N

(Mukesh Chhajed)  
Partner

Membership No. 096778

Place : New Delhi

Date:- 14/5/19



For and on behalf of the Board of Directors

Arvind Singh

(Arvind Kr. Singhal)

Director

DIN - 00578356

(Vineet Kr. Gupta)

Director

DIN - 07780622



DETS LIMITED

CIN: U74900UP2011PLC045167

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR)

	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from operations	20	-	3,68,50,176
II	Other income	21	18,38,945	97,79,537
III	<b>Total income (I + II)</b>		<b>18,38,945</b>	<b>4,66,29,713</b>
IV	Expenses			
	Cost of materials consumed	22	-	1,36,40,072
	Excise Duty consumed		-	-
	Changes in inventories of finished goods, stock - in - trade and work - in - progress	23	-	(7,84,584)
	Employee benefits expenses	24	2,13,66,806	2,21,23,189
	Finance costs	25	24,94,530	49,520
	Depreciation and amortization expenses	4	6,13,498	14,65,452
	Other expenses	26	1,20,83,925	2,22,01,943
	<b>Total expenses (IV)</b>		<b>3,65,58,759</b>	<b>5,86,95,592</b>
V	<b>Profit / (loss) before exceptional items and tax (III - IV)</b>		<b>(3,47,19,814)</b>	<b>(1,20,65,879)</b>
VI	Exceptional items	27	3,53,60,038	-
VII	<b>Profit / (loss) before tax (V - VI)</b>		<b>6,40,224</b>	<b>(1,20,65,879)</b>
VIII	Tax expense	28		
	(1) Current tax-			
	Current tax/ Income tax adjustments		1,23,000	-
	MAT credit entitlement		-	-
	(2) Deferred tax expense		30,46,632	(30,41,419)
			<b>31,69,632</b>	<b>(30,41,419)</b>
IX	<b>Profit / (loss) for the period (VII - VIII)</b>		<b>(25,29,408)</b>	<b>(90,24,460)</b>
X	<b>Other comprehensive income</b>			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
XI	<b>Total comprehensive income for the period (IX + X)</b>		<b>(25,29,408)</b>	<b>(90,24,460)</b>
	<b>Basic &amp; Diluted Earning Per Share</b>	35	<b>(3.01)</b>	<b>(10.74)</b>

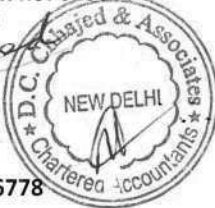
As per our report of even date

For D C Chhajed &amp; Associates

Chartered Accountants

ICAI Firm Registration no: 013529N

(Mukesh Chhajed)  
Partner  
Membership No. 096778  
Place : New Delhi  
Date:- 14/5/19



For and on behalf of the Board of Directors

Arvind Singhal  
(Arvind Kr. Singhal)  
Director  
DIN - 00578356

Vineet Kr. Gupta  
(Vineet Kr. Gupta)  
Director  
DIN - 07780622



DETS LIMITED

CIN: U74900UP2011PLC045167

Statement of changes In equity for the year ended as on March 31, 2019

**A. Equity Share Capital**

(Amount in INR)

As at April 1, 2017	Changes during the year	As at March 31, 2018	As at March 31, 2019
84,00,000	-	84,00,000	84,00,000

**B. Other Equity**

(Amount in INR)

Particulars	Reserves & Surplus		Others Reserves	Total
	Secururity Premium Reserve	Retained Earnings	FVOCI equity investment reserve	
Restated Balance as at April 1, 2017	1,96,00,000	65,88,205		2,61,88,205
Profit for the year	-	(90,24,460)	-	(90,24,460)
Other Comprehensive Income	-	-	-	-
Balance as at March 31, 2018	1,96,00,000	(24,36,255)	-	1,71,63,745
Profit for the year	-	(25,29,408)	-	(25,29,408)
Other Comprehensive Income	-	-	-	-
Balance as at March 31, 2019	1,96,00,000	(49,65,663)	-	1,46,34,337

The accompanying notes form an integral part of the financial statements

As per our report of even date

For & on behalf of the Board of Directors

For D C Chhajed & Associates  
Chartered Accountants  
Firm Registration No.013529N

Mukesh Chhajed  
Partner  
Membership No. 096778

Place : New Delhi

Date:- 14/5/19



Arvind Kr. Singhal  
Director

Vineet Kr. Gupta  
Director



**DETS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in INR)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>A</b>	<b>Cash flow from operating activities</b>		
	Net Profit before tax as Statement of Profit and Loss	6,40,224	(1,20,65,879)
	<i>Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :</i>		
	Depreciation and impairment of property, plant and equipment	6,13,498	14,65,452
	Interest costs	24,94,530	49,520
	Interest income	(18,38,945)	(17,50,000)
	Profit on sale on investment	-	(4,13,087)
	<b>Operating profit before working capital adjustments</b>	<b>19,09,307</b>	<b>(1,27,13,994)</b>
	<b>Working capital adjustments</b>		
	(Increase) /Decrease in trade receivables	8,34,547	1,13,42,072
	(Increase) /Decrease in other financial assets	17,82,498	(2,00,574)
	(Increase) /Decrease in other assets	45,97,715	(34,40,166)
	(Increase) /Decrease in inventories	-	(7,84,584)
	Increase / (Decrease) in trade and other payables	(9,14,059)	(1,66,79,314)
	Payables and Provisions	(13,07,255)	15,44,934
	<b>Cash generated from operations</b>	<b>69,02,754</b>	<b>(2,09,31,626)</b>
	Tax expenses	(31,69,632)	30,41,419
	<b>Net cash generated from operating activities</b>	<b>37,33,122</b>	<b>(1,78,90,207)</b>
<b>B</b>	<b>Investing activities</b>		
	Purchase of Investment	-	-
	Sale of Investment	-	1,36,82,776
	Purchase of Fixed Assets	(74,661)	(14,00,489)
	Interest receivable written off (See Note 27: Exceptional Item)	19,00,000	-
	Interest received	(61,055)	17,50,000
	<b>Net cash flow from / (used in) investing activities</b>	<b>17,64,284</b>	<b>1,40,32,287</b>
<b>C</b>	<b>Financing activities</b>		
	Receipt of long term borrowings	3,00,00,000	50,00,000
	Long Term Borrowings & Accrued Interest written back (See Note 27: Exceptional Item)	(3,72,60,038)	-
	Finance cost paid	(2,34,492)	(49,520)
	<b>Net cash flow from / (used in) financing activities</b>	<b>(74,94,530)</b>	<b>49,50,480</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(19,97,124)</b>	<b>10,92,560</b>
	<b>Opening cash &amp; cash equivalents</b>	<b>23,40,542</b>	<b>12,47,982</b>
	<b>Closing cash and cash equivalents for the purpose of Cash Flow Statement (refer note no. 14)</b>	<b>3,43,418</b>	<b>23,40,542</b>

**Notes:**

- The above cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS) 7
- Figures in brackets indicate cash outflow from respective activities.
- Cash and cash equivalents as at the Balance Sheet date consists of :

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balances with banks :</b>		
-On current account	3,43,264.30	23,40,388.63
Cash on hand	154.00	154.00
<b>Total</b>	<b>3,43,418.30</b>	<b>23,40,542.63</b>

The accompanying notes form an integral part of the financial statements

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date.

For D C Chhajed & Associates

Chartered Accountants

ICAI Firm Registration no: 013529N

(Mukesh Chhajed)  
Partner  
Membership No. 096778  
Place : New Delhi  
Date:- 14/5/19



For and on behalf of the Board of Directors

*Arvind Kr. Singhal*

(Arvind Kr. Singhal)  
Director  
DIN - 00578356

*Vineet Kr. Gupta*

(Vineet Kr. Gupta)  
Director  
DIN - 07780622





## **Note 1:- Notes forming part of the Financial Statements**

**As at and for the year ended March 31, 2019**

### **1) Corporate Information:**

DETS Limited (Formerly Dhampur Technologies Limited) ("the Company") having CIN No. U74900UP2011PLC045167 is a Limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 and has its registered office at Bijnor, Uttar Pradesh, India.

The company is engaged in a business of sale of machinery and providing services related with these machineries.

### **2) Significant Accounting Policies:**

#### **i. Basis of preparation and presentation**

##### **a) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standard) (Amended) Rules, 2016 and other relevant accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Previous year numbers in the financial statements have been restated in accordance with Ind AS.

The date of transition to Ind AS is 1<sup>st</sup> April 2016. Refer **Note 28** for the details of first-time adoption (Ind AS 101) exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

##### **b) Basis of Preparation**

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments, refer accounting policy regarding financial instruments) and assets for defined benefit plans that are measured at fair value and less cost of sale wherever require. The methods used to measure fair values are discussed further in notes to financial statements.

- c) The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest one, except if otherwise stated.



## ii. Current versus non-current classification

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

An asset is treated as current when it satisfies any of the following criteria:-

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

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:—

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

## iii. Property, Plant and Equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment shall be recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.



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Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

#### ***Transition to Ind AS***

On transition to Ind AS, the company has elected to adopt carrying value of all of its property, plant and equipment recognized as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### **iv. Depreciation and Amortization**

The classification of plant and machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the WDV method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II along with residual values of 5%. The Company has used the following useful lives to provide depreciation on its fixed assets:

Assets	Useful Lives
Plant & Machinery	Fifteen Years
Office equipment	Five Years
Computers	Three Years

Each item of PPE individually costing INR 5,000/- or less is depreciated over a period of one year from the date the said assets is available for use.



## **v. Foreign currency translations**

### **Functional and presentation currency**

Standalone financial statements have been presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

### **Transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

## **vi. Inventories**

Inventories are valued after providing for obsolescence, as under:

- a) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.
- b) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realizable value. In some cases, manufacturing work-in-progress is valued at lower of specifically identifiable cost or net realizable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.
- c) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realizable value. Cost includes related overheads and excise duty paid/payable on such goods.
- d) By-product/scrap are carried at Net Realizable Value.

## **vii. Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment. Amounts disclosed as revenue are inclusive of excise duty and excluding of returns, trade allowances, rebates, other similar allowances, goods and service tax, value added taxes, service tax and amounts collected on behalf of third parties or government, if any.

Revenue is recognized only when it can be reliably measured and is reasonable to expect ultimate collection. Revenue from sale of goods is recognized on transfer of significant risk and reward of ownership to the customer.



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## **Recognising revenue from major business activities**

### **Sale of goods**

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **Rendering of services**

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- i. the amount of revenue can be measured reliably;
  - ii. it is probable that the economic benefits associated with the contract will flow to the company;
  - iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
  - iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.
- Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

### **Interest Income**

Interest shall be recognised using the effective interest method as set out in Ind AS 109

### **Insurance Claims**

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### **viii. Expenses**

All expenses are accounted for on accrual basis



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#### **ix. Long Term Borrowings**

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

#### **x. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for long term borrowing until are not material are expensed in the period in which they are incurred.

#### **xi. Leases**

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

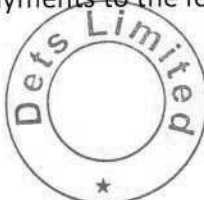
For arrangements entered into prior to the transition date, i.e. 1st April, 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### **(i) As a lessee**

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases in which case lease expenses are charged to profit or loss on the basis of actual payments to the lessors.



**(ii) As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**xii. Provision for Current and Deferred Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period. Income tax expense represents the sum of the tax currently payable and deferred tax.

**xiii. Impairment of non-financial assets**

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other 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



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from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

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.

#### **xiv. Provisions, Contingent Liabilities and Assets**

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. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

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.

A contingent liability is not recognised but disclosed when

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognized because:

i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is not recognised but disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

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

#### **xv. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.



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**xvi. Non-current assets (or disposal group) held for sale and discontinued operations:**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.

Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/ distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution within one year from the date of classification.

Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.

Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

Non-current assets including those that are part of a disposal group (PPE and intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/distribution are presented separately from other liabilities in the Balance sheet.

A disposal group qualifies as discontinued operation if it is a component of equity that has either being disposed of or is classified as held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss and Comparative information is restated accordingly.

All notes to the financial statements mainly include amounts for continuing operations, unless stated otherwise.

**xvii. 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.



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## **A. Financial assets**

### **Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

#### **a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised 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.

#### **b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI 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. Interest income for these financial assets is included in other income using the effective interest rate method.

#### **c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories is measured at FVTPL.

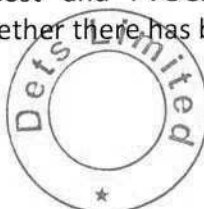
## **B. Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Where the company decided to make an irrevocable election to present the fair value gain and loss (excluding dividend) on non-current equity investments in other comprehensive income, there is no subsequent reclassification of fair value gain and loss to profit and loss even on sale of investments. However, the group may transfer the cumulative gain or loss within equity. The group makes such election on an instrument-by-instrument basis.

The company elected to measure the investment in subsidiary, associate and joint venture at cost.

### **Impairment of financial assets**

The company assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



If credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 "*Financial Instruments*" which requires expected life time losses to be recognised from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

### **C. Financial liabilities**

#### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### **Subsequent measurement**

Financial liabilities are 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.

### **D. Derecognition of financial instruments:**

The Company derecognizes a financial asset 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 (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **E. Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



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## **F. Offsetting of financial instruments**

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

### **xviii. Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

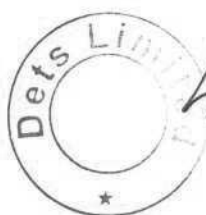
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.





## **xix. Employees Benefits**

### **a) Short-term obligations**

Short-term obligations Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the balance sheet.

### **b) Post-employment obligations**

#### **i. Defined benefit plans**

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of company The Gratuity Plan provides a lumpsum 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 net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of change in equity and in the balance sheet.

Changes in the present value of defined benefit obligation resulting from plan amendments and curtailments are recognised immediately in profit and loss as service cost.

#### **ii. Defined contribution plans**

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly/annual contribution at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioners and the Central Provident Fund under the State Pension Scheme. The Company generally liable for monthly/annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognise such contributions and shortfall, if any, as an expense in the year incurred.

### **c) Voluntary Retirement Scheme**

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.



## xx. Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## xxi. Earnings Per Share

Basic earnings per share are computed by dividing the net profit/(loss) after tax (Including the post-tax effect of extra ordinary items, if any) but before other comprehensive income, attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit/(loss) after tax (Including the post-tax effect of extra ordinary items, if any) but before other comprehensive income adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

## 3. Use of Estimates

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities (Including disclosure of contingent liabilities) at the end of the reporting period.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

The areas involving critical judgement are as follows:

### i. Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.



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## ii. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## iii. Defined Benefit Obligations

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in **Note 24** 'Employee benefits'.

## iv. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



"4" - Property, plant & equipment

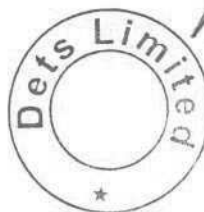
(Amount in INR)

Particulars	Computer	Plant & Machinery	Office Equipment	Leasehold Capital WIP	Total (2018-19)	Total (2017-2018)
<b>Cost</b>						
As on 01-04-2018	3,97,255	21,84,136	1,20,099	12,83,465	39,84,955	25,84,466
Additions	74,661	-	-	-	74,661	14,00,489
Disposals	-	-	-	-	-	-
As at 31-03-2019	4,71,916	21,84,136	1,20,099	12,83,465	40,59,616	39,84,955
<b>Depreciation</b>						
As on 01-04-2018	2,46,708	3,69,220	52,951	10,50,108	17,18,987	2,53,535
Charges for the year	1,21,153	2,28,723	30,265	2,33,357	6,13,498	14,65,452
Disposals	-	-	-	-	-	-
As at 31-03-2019	3,67,861	5,97,943	83,216	12,83,465	23,32,485	17,18,987
<b>Net Block</b>						
As at 31-03-2018	1,50,547	18,14,916	67,148	2,33,357	22,65,968	23,30,931
As at 31-03-2019	1,04,055	15,86,193	36,883	-	17,27,131	22,65,968

"4" (a) - Property, plant & equipment

(Amount in INR)

Particulars	Computer	Plant &	Office	Leasehold Capital	Total (2017-18)	Total (2016-2017)
<b>Cost</b>						
As on 01-04-2017	3,16,511	21,77,846	90,109	-	25,84,466	-
Additions	80,744	6,290	29,990	12,83,465	14,00,489	25,84,466
Disposals	-	-	-	-	-	-
As at 31-03-2018	3,97,255	21,84,136	1,20,099	12,83,465	39,84,955	25,84,466
<b>Depreciation</b>						
As on 01-04-2017	83,780	1,68,865	890	-	2,53,535	-
Charges for the year	1,62,928	2,00,355	52,061	10,50,108	14,65,452	2,53,535
Disposals	-	-	-	-	-	-
As at 31-03-2018	2,46,708	3,69,220	52,951	10,50,108	17,18,987	2,53,535
<b>Net Block</b>						
As at 31-03-2017	2,32,731	20,08,981	89,219	-	23,30,931	-
As at 31-03-2018	1,50,547	18,14,916	67,148	2,33,357	22,65,968	23,30,931



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"5" - Deferred Tax Asset/ (Liability)

(Amount in INR)

Particulars	As at March 31, 2019	As at March 31, 2018
b) 'Deferred Tax asset/ Liability :		
Opening Balance	30,46,632	5,213
Reversal of Deferred Tax Assets	-29,70,125	31,13,265
MAT Credit Entitlement	-	-
Less: set off from Deferred tax liability	76,507	71,846
	-	30,46,632
Net Deferred Tax Asset	-	30,46,632

"6" - Other Non Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with revenue authorities		
Advance tax, TDS/TCS (Net of Provision for taxation)		32,99,375
Total	-	32,99,375

"7" - Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
(Valued at lower of cost or net realisable value)		
Iron & Steel Scrap	-	-
Steel Plates/Rods etc	9,24,584	9,24,584
Total	9,24,584	9,24,584

"8" - Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Reliance Money Manager Fund	-	-
Fair Value Gain/(Loss)	-	-
Total	-	-

"9" - Trade receivables

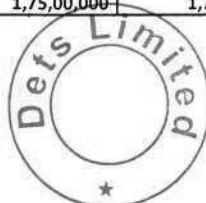
Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured considered good, otherwise stated		
Other than related party	-	8,34,547
DSCL Sugar-Ajbapur	-	-
DSCL Sugar-Hariawan	-	-
K.M.Sugar Mills Ltd.	-	-
Mankapur Chini Mills Ltd	-	8,34,547
Total	-	8,34,547

"10" - Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Balances with banks :		
-On Current Account	3,43,264	23,40,389
Cash on hand [Note-24]	154	154
Total	3,43,418	23,40,543

"11" - Current Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured considered good, otherwise stated		
Loans to related parties	-	-
Loans to others	1,75,00,000	1,75,00,000
Advance recoverable in cash or kind	-	-
Total	1,75,00,000	1,75,00,000



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"12" - Other Current Financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Accrued Interest Income	5,21,748	23,04,246
<b>Total</b>	<b>5,21,748</b>	<b>23,04,246</b>

"13" - Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with revenue authorities	45,85,496	28,41,646
TDS Receivables	4,36,459	2,78,959
Prepaid Expenses	1,16,448	2,27,756
Security Deposit Gas	42,000	42,000
Advance to Creditors	23,300	65,050
<b>Total</b>	<b>52,03,703</b>	<b>34,55,411</b>



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"14" - Share capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
<b>Equity shares</b>				
Authorised Share Capital	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued , subscribed and paid-up				
840,000 Equity shares of INR 10/- each fully paid-up	8,40,000	84,00,000	8,40,000	84,00,000
<b>TOTAL</b>		<b>84,00,000</b>		<b>84,00,000</b>

14.1. The reconciliation of the number of shares outstanding as at March 31, 2019 & March 31, 2018 is set out below.

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount in INR	Amount in INR	Amount in INR
<b>Authorised Equity shares</b>				
Shares outstanding at the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Add : Shares Issued	-	-	-	-
Shares outstanding at the end of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
<b>Issued , subscribed and paid-up shares equity shares</b>	<b>No. of Shares</b>	<b>Amount in INR</b>	<b>No. of Shares</b>	<b>Amount in INR</b>
At the beginning of the period	8,40,000	84,00,000	8,40,000	84,00,000
Increased during the year	-	-	-	-
Outstanding at the end of the period	8,40,000	84,00,000	8,40,000	84,00,000

14.2. The details of shareholders holding more than 5% shares as at March 31, 2019 & March 31, 2018 is set out below.

Classes of shares/ Name of shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% holding	No. of shares	% holding
Equity shares of INR 10 each fully paid-up				
Ujjwal Microfinance Private Limited	-	-	-	-
Goel Investments Limited (Company has Significant Influence)	4,11,600	49%	4,11,600	49%
Dhampur Sugar Mills Limited (Holding Company)	4,28,400	51%	4,28,400	51%

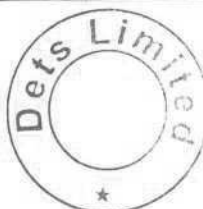
14.3. - Terms/right attached to equity shares

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

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

"15" - Other Equity

Particulars	As at March 31, 2019		As at March 31, 2018	
<b>Securities Premium Reserve</b>				
Balance as per Balance Sheet		1,96,00,000		1,96,00,000
		<b>1,96,00,000</b>		<b>1,96,00,000</b>
<b>Retained Earnings</b>				
Opening Balance		(24,36,255)		65,88,205
Add: Equity component of financial instruments		-		-
Add: Profit /(Loss) for the year		(25,29,408)		(90,24,460)
<b>Net surplus/(deficit)</b>		<b>(49,65,663)</b>		<b>(24,36,255)</b>
<b>TOTAL</b>		<b>1,46,34,337</b>		<b>1,71,63,745</b>



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NOTE 16 (i) : BORROWINGS

(Amount in INR)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured</b>		
<b>Long Term Borrowings:-</b>		
Borrowings from Related Parties (DSM)	3,50,00,000	50,00,000
Less: Write back of loan	-3,50,00,000	-
Balance	-	50,00,000
<b>Short Term Borrowings:-</b>		
Borrowings from Related Parties (DSM)		
<b>TOTAL</b>	<b>-</b>	<b>50,00,000</b>

"17" - Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	65,239	9,79,298
<b>Total</b>	<b>65,239</b>	<b>9,79,298</b>

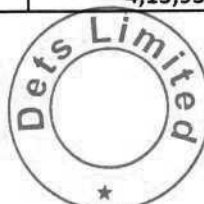
The Company has so far not received information from vendors regarding their status under the Micro, Small and Medium Enterprises (Development) Act, 2006 and hence disclosure relating to amounts unpaid as at the year-end together with interest paid / payable under this Act has not been given.

"18" - Other Financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Audit fee Payable	22,500	22,500
Professional Fee Payable	22,500	90,000
Other Payable	23,53,972	17,32,073
Interest Payable	-	19,725
Salary Payable	3,08,098	16,57,677
<b>Total</b>	<b>27,07,070</b>	<b>35,21,975</b>

"19" Other Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Other Liabilities	11,694	-
Duties & Taxes	2,79,244	9,06,288
Income Tax provision	1,23,000	-
<b>Total</b>	<b>4,13,938</b>	<b>9,06,288</b>



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Dets Limited  
Notes to Financial Statements

"20" - Revenue from operations

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Manufactured Goods	-	3,49,19,921
Service Sale	-	15,77,899
Scrap Sale	-	3,52,356
<b>TOTAL</b>	<b>-</b>	<b>3,68,50,176</b>

"21" - Other income

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Income Tax Refund	2,63,945	-
LD on Vendor	-	66,23,319
Balances written back [Note-23]	-	9,93,131
Interest Income	15,75,000	17,50,000
Profit on Sale on Investment	-	4,13,087
Gain/(Loss) on fair valuation	-	-
<b>Total</b>	<b>18,38,945</b>	<b>97,79,537</b>

"22" - Cost of Raw materials consumed

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
		(₹)
<u>Purchase of:-</u>		
- Iron & Steel	-	1,11,14,363
- Components & Equipments	-	25,25,709
<b>Total</b>	<b>-</b>	<b>1,36,40,072</b>

"23" - (Increase)/Decrease in inventories

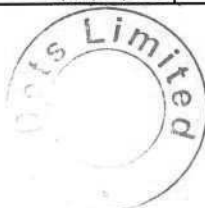
(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Inventories	9,24,584	1,40,000
Closing Inventories	9,24,584	9,24,584
<b>(Increase)/Decrease in inventories</b>	<b>-</b>	<b>(7,84,584)</b>

"24" - Employees benefits expense

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salary & Wages	2,13,51,245	2,19,57,709
Staff welfare	15,561	1,65,480
<b>Total</b>	<b>2,13,66,806</b>	<b>2,21,23,189</b>



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"25" - Finance costs

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest paid	24,94,530	49,520
Interest Expenses effect on fair Value	-	-
<b>Total</b>	<b>24,94,530</b>	<b>49,520</b>

"26" - Other expense

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Payment to Auditors	1,16,850	1,14,500
- Statutory Audit	100	52,615
Filing Fees	1,539	79,212
Bank Charges	-	1,69,770
Exhibition Expenses	3,900	30,295
Printing & Stationary	55,11,008	85,21,749
Professional Fees	-	2,85,783
Advertisement Expenses	1,33,054	1,09,189
Business Promotion	11,33,250	3,75,706
Designing Exp.	1,68,402	3,38,270
Fuel & Electricity	15,680	6,28,693
Freight	-	70,295
Insurance Expenses	10,000	1,08,145
Membership Fee	39,473	60,319
Mobile Exp.	-	1,06,880
Painting Charges	25,32,842	35,99,577
Rent	1,94,354	3,13,630
Repair & Maintanace	120	1,52,119
Duties & Taxes & Stamp fees	2,73,606	2,66,263
Watch & Ward	-	50,000
Machine Hire Charges	70,537	4,60,471
Miscellaneous Exp	-	26,64,473
Turnkey Project Expenses	1,67,118	2,42,994
Conveyance Expenses	17,12,092	29,86,991
Tours & Travelling Expenses	-	4,14,005
Bad Debts written off	-	-
<b>Total</b>	<b>1,20,83,925</b>	<b>2,22,01,943</b>

"27" - Exceptional item

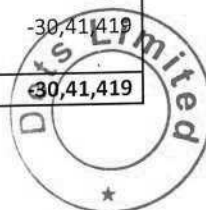
(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Waiver of Loan, liabilities and Interest Accrued and due of holding Company	3,72,60,038	-
Waiver of Interest recoverable on Advances	-19,00,000	-
<b>Total</b>	<b>3,53,60,038</b>	<b>-</b>

"28" - Tax Expense

(Amount in INR)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
- Current Tax	1,23,000	-
- MAT Entitlement	1,23,000	-
- Deferred Tax	30,46,632	-30,41,419
<b>Total</b>	<b>31,69,632</b>	<b>30,41,419</b>





**"29" Payments to Auditors**

Particulars	As at 31.03.2019	As at 31.03.2018
	(INR)	(INR)
Audit Fees	1,00,000	1,00,000
Certification	2,000	2,500
Reimbursement	14,850	12,000
Goods and Service Tax	21,033	16,110
<b>Total</b>	<b>1,37,883</b>	<b>1,30,610</b>

**"30": Related Party Disclosures as required under Ind AS 24:-**

a)	Related Parties	Name of Party				
i.	Holding Company	Dhampur Sugar Mills Ltd (w.e.f. 03-10-16)				
ii.	Subsidiary Company	NIL				
iii.	Associate Company	NIL				
iv.	Key Management Personnel	Mr. Gautam Goel (Director w.e.f. 18-05-18) Mr. Arvind Kumar Singhal Mr. Vineet Kumar Gupta Mr. Mukul Sharma				
v.	Transaction with Related Parties					
	Name of Party	Nature of Transaction	Opening balance	Dr.	Cr.	Closing balance
	Dhampur Sugar Mills Ltd	Loan Taken	50,00,000 (NIL)	3,50,00,000 (NIL)	3,00,00,000 (50,00,000)	NIL (50,00,000)
		Interest	19,725 (NIL)	22,60,038 (NIL)	22,40,313 (19,725)	NIL (19,725)
		Waiver of Loan & Interest	NIL (NIL)	3,72,60,038 (NIL)	NIL (NIL)	3,72,60,038 (NIL)
		Other Transactions	16,62,616 (NIL)	NIL (4,35,08,040)	6,24,605 (4,18,45,424)	22,87,221 (16,62,616)
Mr Arvind Singhal (Managing Director)	Remuneration Paid	NIL (NIL)	1,75,74,000 (1,20,00,000)	1,75,74,000 (1,20,00,000)	NIL (NIL)	
	Reimbursement	NIL (NIL)	18,46,734 (19,66,993)	19,06,920 (19,66,993)	60,168 (Nil)	

Figures in bracket represent previous year figures.



**"31" Deferred Tax Assets/ Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
'Deferred Tax asset/ Liability:		
Deferred tax assets (net)	30,46,632	30,45,555
Less: set off from Deferred tax liability	76,507	71,846
	29,70,125	29,73,709
Less-De-recognition of Deferred Tax Assets	29,70,125	0
	0	29,73,709
Mat Credit Entitlement	0	72,923
Net Deferred Tax Asset	0	30,46,632

Deferred Tax Asset has not been recognized in respect of loss for the year because it is not probable that future taxable profit will be available against which company can use the benefit therefrom. Further Deferred Tax Asset already created in the previous years is derecognized in the current year because of uncertainty-in future taxable profit.

**"32" Loans & Advances & Borrowings****i. Loans & Advances**

The company had granted unsecured loan to Betsy Growth Finance Ltd amounting to Rs. 175 lakhs on 14<sup>th</sup> Oct 2016 and had charged interest @ 10% PA for the year 2017-18 and thereafter interest has been charged @ 9% PA as per decision of the Management. Since Betsy Growth Finance Ltd has not been able to pay Interest for last two years, it had requested to the company for waiver of 50% interest accrued & due for the previous two years i.e. 2017-18 & 2018-19, which works out to Rs. 19 lakhs (approx). Keeping in view the severe liquidity crisis of Betsy Growth Finance Ltd, the company has agreed and accordingly it has waived off Rs 19 lakhs in current year 2018-19. The amount has been disclosed under Exceptional Items in Note no: 27.

**ii. Borrowings from Related Party**

The company had obtained Unsecured loan of Rs. 350 lakhs from holding company Dhampur Sugar Mills Ltd (DSM). and after considering interest accrued on such loan for Rs. 22.60 lakhs, total amount payable to DSM stood at Rs. 372.60 lakhs. The company hasn't been able to generate business during the previous couple of years, hence it wasn't in a position to repay the said borrowings together with interest accrued and due, to holding company. In such circumstances, it had requested to the management of DSM to waive off the principal loan taken by it during 2017-18 & 2018-19 together with the accrued interest thereon. The request has since been accepted by DSM and consequently a sum of Rs. 372.60 lakhs comprising of principal & accrued interest as been waived off. The amount has been disclosed under Exceptional Items in Note no: 27.

**"33" Regrouping/ reclassification of Previous Year figures have been done wherever necessary.**



**DETS LIMITED**  
Notes to Financial Statements as at March 31, 2019

**Note 34 : Financial Instruments - Accounting, classification and Fair Value Measurements**

**Financial instruments by category**

The criteria for recognition of financial instruments is explained in accounting policies to the Company.

Particulars	As at March 31, 2019			As at March 31, 2018		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
<b>Financial Asset</b>						
Investments	-	-	-	-	-	-
-Investments in equity instruments	-	-	-	-	-	-
-Investments in mutual funds	-	-	-	-	-	-
Trade receivables	-	-	-	8,34,547	-	-
Loans	1,75,00,000	-	-	1,75,00,000	-	-
Cash and cash equivalents and bank balances	3,43,418	-	-	23,40,543	-	-
Others	52,03,703	-	-	34,55,411	-	-
<b>Total Financial Assets</b>	<b>2,30,47,122</b>	-	-	<b>2,41,30,501</b>	-	-
<b>Financial Liabilities</b>						
Borrowings	-	-	-	50,00,000	-	-
Trade payables	65,239	-	-	9,79,298	-	-
Other Financial Liabilities	31,21,008	-	-	44,28,263	-	-
<b>Total Financial Liabilities</b>	<b>31,86,247</b>	-	-	<b>1,04,07,561</b>	-	-

Note : The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

**(i) Fair Value Hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Method and assumptions used to estimate fair values:**

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, trade and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Particulars	Carrying Value March 31, 2017	Fair Value Measurement using		
		(Level 1)	(Level 2)	(Level 3)
<b>(A) Financial assets at fair value</b>				
Investments	-	-	-	-
-Investments in mutual funds	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**"35" Earning Per Shares :-**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
i) Net Profit/ Loss(-) available to Equity Shareholders (Used as numerator for calculating EPS)	(25,29,408)	(90,24,460)
ii) Weighted average No. of Equity Shares outstanding during the period: (Used as denominator for calculating EPS)		
- for Basic EPS	840000	840000
- for Diluted EPS	840000	840000
iii) Earning per Share before and after Extra Ordinary Items		
- Basic `	(3.01)	(10.74)
- Diluted `	(3.01)	(10.74)



**DETS LIMITED****Notes forming part of the Standalone Financial Statements****Note 36 : FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's. The Company's activities are exposed to market risk, credit risk and liquidity risk.

**I. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

**(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates.

**(b) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. a) The Company used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management. There is no forward exchange contracts entered into by the Company as on 31st March, 2018 (31st March, 2017: Nil).

**(c) Regulatory risk**

The company do not involve any specific regulatory risk.

**(d) Commodity price risk**

The company do not involve any specific commodity price risk.

**II. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are The Company major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

**Expected credit loss for trade receivable on simplified approach :**

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

Ageing	Carrying Value	Less than 6 months	6- 12 months	More than 12 months	Total
<b>As at April 1, 2017</b>					
Gross Carrying Amount	1,21,76,619.00	1,13,42,072.00	-	8,34,547.00	1,21,76,619.00
Expected Credit Loss	-	-	-	-	-
Carrying Amount (net of impairment)	1,21,76,619.00	1,13,42,072.00	-	8,34,547.00	1,21,76,619.00
<b>As at March 31, 2018</b>					
Gross Carrying Amount	8,34,547	-	-	8,34,547	8,34,547
Expected Credit Loss	-	-	-	-	-
Carrying Amount (net of impairment)	8,34,547	-	-	8,34,547	8,34,547
<b>As at March 31, 2019</b>					
Gross Carrying Amount	-	-	-	-	-
Expected Credit Loss	-	-	-	-	-
Carrying Amount (net of impairment)	-	-	-	-	-

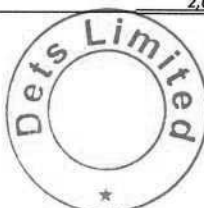
The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%

**III. Liquidity Risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2019	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	-	-	-	-
Trade payables	-	65,239	-	65,239
Other Liabilities	31,21,008	-	-	31,21,008
<b>Total</b>	<b>31,21,008</b>	<b>65,239</b>	<b>-</b>	<b>31,86,247</b>
As at March 31, 2018	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	-	-	-	-
Trade payables	7,89,787	1,89,511	-	9,79,298
Other Liabilities	44,28,263	-	-	44,28,263
<b>Total</b>	<b>52,18,050</b>	<b>1,89,511</b>	<b>-</b>	<b>54,07,561</b>
As at April 1, 2017	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	-	-	-	-
Trade payables	1,76,58,612	-	-	1,76,58,612
Other Liabilities	28,83,329	-	-	28,83,329
<b>Total</b>	<b>2,05,41,941</b>	<b>-</b>	<b>-</b>	<b>2,05,41,941</b>



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## **DETS LIMITED**

### **Notes forming part of the Standalone Financial Statements**

#### **Note 37 : Capital Management**

##### **(a) Risk Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.



### Note 38 Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customer. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is evaluating the effect on adoption of Ind AS 115.

**Note: 39** The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**Schedules "1 to 39" form part of financial statements.**

As per our report of even date

**For D. C. Chhajed & Associates**

**Chartered Accountants**

**ICAI Firm Registration no:013529N**

**For and behalf of the Board of Directors**

  
(CA. Mukesh Chhajed)

Partner

Membership No.096778

Place: New Delhi

Date:- 14-05-2019

  
(Arvind Singhal)

Director

DIN-00578356

  
(Vineet Gupta)

Director

DIN-07780622

