

Frigoglass India Private Limited

Statutory Audit for the year ended, march 31st 2017

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FRIGOGLASS INDIA PRIVATE LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of Frigoglass India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. L1, PII-S AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/1500016 (ICAI registration number before conversion was 012754N)

7. 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.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its financial statements – Refer Note 19;
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.



iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 41.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: FRN 012754N/N500016
Chartered Accountants



Amit Peswani
Partner
Membership Number: 501213

Place: Gurugram
Date: 29/09/2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Frigoglass India Private Limited on the financial statements for the year ended March 31, 2017
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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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



Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Frigoglass India Private Limited on the financial statements for the year ended March 31, 2017

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being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: FRN 012754N/N500016
Chartered Accountants



Amit Peswani
Partner
Membership Number: 501213

Place: Gurugram
Date: 29/09/2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Frigoglass India Private Limited on the financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
(c) The title deeds of immovable property, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs, which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise, and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:



Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Frigoglass India Private Limited on the financial statements for the year ended March 31, 2017

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| Name of statute | Nature of dues | Amount Disputed As at March 31, 2017 (As at March 31, 2016) | Amount Deposited As at March 31, 2017 (As at March 31, 2016) | Period to which the amount relates | Forum where the dispute is pending |
|-------------------------------|---|---|--|--|---|
| Local Sales Tax Act | Sales tax collected on scrap sales | 39,009 (39,009) | - | April 2002- March 2004 | High Court of Punjab & Haryana |
| Haryana Value Added Tax, 2003 | VAT payable (net of VAT recoverable on purchases) | 105,654,344 (105,654,344) | 34,514,294 (34,514,294) | April 2003- June 2008 | High Court of Punjab & Haryana |
| Central Excise Act, 1944 | Demand for excise on VAT withheld | 22,005,384 (22,005,384) | 2,500,000 (2,500,000) | April 2004 to March 2009 | Customs Excise and Service Tax Appellate Tribunal |
| Income Tax Act, 1961 | Tax liability under transfer pricing assessment | 12,255,377 (Nil) | - | 2005-06 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Tax liability under transfer pricing assessment | 47,608,592 (47,608,592) | - | 2007-08 | Income Tax Appellate Tribunal |

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.




Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Frigoglass India Private Limited on the financial statements for the year ended March 31, 2017

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- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order 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. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: FRN 012754N/N500016
Chartered Accountants


Amit Peswani .
Partner
Membership Number: 501213

Place: Gurugram
Date: 29/09/2017

Frigoglass India Private Limited
Balance Sheet
(All amounts in Rupees unless otherwise stated)


| | Notes | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
|--|-------|----------------------------------|----------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 817,557,260 | 817,557,260 |
| Reserves and surplus | 4 | <u>(67,512,973)</u> | <u>74,758,042</u> |
| | | <u>750,044,287</u> | <u>892,315,302</u> |
| Non-current liabilities | | | |
| Deferred tax liabilities (net) | 5 | 47,822,553 | 56,570,797 |
| Long-term provisions | 6 | <u>39,964,429</u> | <u>28,458,380</u> |
| | | <u>87,786,982</u> | <u>85,029,177</u> |
| Current liabilities | | | |
| Short-term borrowings | 7 | 228,776,547 | 179,867,445 |
| Trade payables | 8 | | |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,019,134,339 | 839,537,279 |
| Total outstanding dues of micro enterprises and small enterprises | | 24,150,179 | 24,618,863 |
| Other current liabilities | 9 | 126,042,915 | 74,457,307 |
| Short-term provisions | 6 | <u>72,067,885</u> | <u>55,887,118</u> |
| | | <u>1,470,171,865</u> | <u>1,174,368,012</u> |
| Total | | <u><u>2,308,003,134</u></u> | <u><u>2,151,712,491</u></u> |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 10 | 840,839,223 | 744,154,761 |
| Intangible assets | 11 | 2,115,734 | 4,489,500 |
| Capital work-in-progress | | | 20,364,820 |
| Long-term loans and advances | 12 | 43,910,676 | 45,351,839 |
| Other non-current assets | 13 | - | 681,902 |
| | | <u>886,865,633</u> | <u>815,042,822</u> |
| Current assets | | | |
| Inventories | 14 | 380,535,918 | 444,483,508 |
| Trade receivables | 15 | 726,117,450 | 602,260,042 |
| Cash and bank balances | 16 | 71,273,843 | 62,257,687 |
| Short-term loans and advances | 17 | 219,515,147 | 204,599,700 |
| Other current assets | 18 | <u>23,695,143</u> | <u>23,068,732</u> |
| | | <u>1,421,137,501</u> | <u>1,336,669,669</u> |
| Total | | <u><u>2,308,003,134</u></u> | <u><u>2,151,712,491</u></u> |

The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - FRN 012754N/N500016

For and on behalf of the Board of Directors


Amit Peswani
Partner
Membership Number: 501213


Arvinder Singh Pental
Managing Director


Vasileios Stergiou
Director


Pratik Bhasker
Finance Manager


Chanchal Garg
Company Secretary

Place: Gurugram
Date: 29/09/2017

Place: Gurugram
Date: 29/09/2017

Place: Athens

Place: Gurugram

Place: Gurugram


Frigoglass India Private Limited
Statement of Profit and Loss
(All amounts in Rupees unless otherwise stated)

| | Notes | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|---|-------|---|---|
| Revenue from operations (gross) | 21 | 2,012,313,005 | 2,051,144,452 |
| Less: Excise duty | | 201,725,807 | 124,430,996 |
| Revenue from operations (net) | | 1,810,587,198 | 1,926,713,456 |
| Other income | 22 | 6,279,696 | 3,723,535 |
| Total revenue | | 1,816,866,894 | 1,930,436,991 |
| Expenses | | | |
| Cost of material consumed | 23 | 1,065,185,385 | 1,201,207,569 |
| Purchases of stock in trade | 24 | 119,595,445 | 155,095,815 |
| Change in inventories of finished goods, work-in-progress and stock in trade | 25 | 43,447,006 | (115,822,908) |
| Employee benefits expense | 26 | 238,291,441 | 249,787,814 |
| Depreciation and amortization expense | 27 | 65,829,342 | 58,016,161 |
| Finance costs | 28 | 20,400,438 | 14,135,635 |
| Other expenses | 29 | 415,137,097 | 408,730,321 |
| Total expenses | | 1,967,886,154 | 1,971,150,407 |
| Profit/(Loss) before tax | | (151,019,260) | (40,713,416) |
| Tax expenses/(credit) | | | |
| Current tax [Previous year : reversal of provision for earlier year amounting to Rs. 58,421,340] | | - | 362,136 |
| Deferred tax | | (8,748,245) | 679,544 |
| Total tax expense/(credit) | | (8,748,245) | 1,041,680 |
| Profit/(Loss) for the year | | (142,271,015) | (41,755,096) |
| Earnings/(loss) per equity share: | | | |
| Basic and Diluted | 39 | (1.74) | (0.51) |
| [Nominal Value per share: Rs. 10 (March 31, 2016: Rs.10)] | | | |

The accompanying notes are an integral part of these financial statements

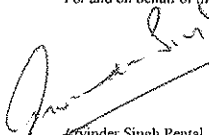
This is the Statement of Profit and Loss referred to in our report of even date


For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - FRN 012754N/NS00016



Amit Peswani
Partner
Membership Number: 501213


Place: Gurugram
Date: 29/09/2017

For and on behalf of the Board of Directors


Arvinder Singh Pental
Managing Director


Vasileios Stergiou
Director


Pratik Bhasker
Finance Manager


Chanchal Garg
Company Secretary

Place: Gurugram
Date: 29/09/2017

Place: Athens
Place: Gurugram
Place: Gurugram

Frigolass India Private Limited
Cash Flow Statement
(All amounts in Rupees unless otherwise stated)

| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|--|---|---|
| A Cash Flow From Operating Activities | | |
| Profit before tax | (151,019,260) | (40,713,416) |
| Adjustments for: | | |
| Depreciation, amortization expense | 65,829,342 | 58,016,161 |
| Unrealised foreign exchange fluctuation loss/(gain) | 12,784,018 | 28,142,083 |
| Interest income | (247,129) | (2,895,495) |
| Provision for compensated absences | 2,396,103 | 1,114,334 |
| Provision for gratuity | 7,389,286 | 3,164,936 |
| Finance Cost | 20,400,438 | 14,135,635 |
| Operating profit/(loss) before working capital changes | (42,467,202) | 60,964,238 |
| Movements in working capital: | | |
| (Increase)/ decrease in trade receivables | (145,990,391) | 281,735,046 |
| (Increase)/ decrease in other current assets | 299,478 | 20,485,519 |
| (Increase)/ decrease in loans and advances | (13,474,265) | (96,264,432) |
| (Increase)/ decrease in inventories | 63,947,590 | (100,784,370) |
| Increase/ (decrease) in trade payables | 186,473,571 | (162,826,291) |
| Increase/ (decrease) in other current liabilities | 51,512,925 | (1,421,802) |
| Increase/ (decrease) in provisions | 17,901,427 | (4,001,940) |
| Cash generated from operations | 120,203,113 | (2,113,532) |
| Taxes Paid (net of refunds) | - | (362,136) |
| Extraordinary items | - | - |
| Net cash flow from operating activities (a) | 120,203,113 | (2,475,668) |
| B Cash Flow From Investing Activities | | |
| Purchase of fixed assets | (139,702,536) | (223,737,538) |
| Interest income received | 487,749 | 2,662,388 |
| Net cash flow from/ (used in) investing activities (b) | (139,214,787) | (221,075,150) |
| C Cash Flow From Financing Activities | | |
| Interest paid | (20,396,669) | (14,183,159) |
| Repayment of short term borrowings | (179,867,445) | - |
| Proceeds from short term borrowings | 228,776,545 | 179,867,445 |
| Net cash flow from/(used in) financing activities (c) | 28,512,431 | 165,684,286 |
| Net (decrease)/ increase in cash and cash equivalents (A+B+C) | 9,500,757 | (57,866,532) |
| Cash and cash equivalents at the beginning of the year (Note below) | 60,036,701 | 117,903,233 |
| Cash and cash equivalents at the end of the year (Note below) | 69,537,464 | 60,036,701 |
| Cash and cash equivalents at the end of the year comprise of: | | |
| Cash on hand | 10,633 | 42,696 |
| Balances with banks on | | |
| - Current accounts | 68,343,676 | 55,011,727 |
| - Demand deposits (less than 3 months maturity) | 1,183,155 | 4,982,278 |
| Total | 69,537,464 | 60,036,701 |


Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on "Cash Flow Statement" notified under Section of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, issued by the Ministry of Corporate Affairs.
- Figures in brackets indicate cash outflow.
- Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.

The accompanying notes are an integral part of these financial statements


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

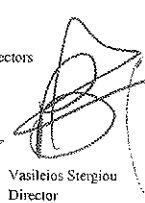
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - FRN 012754N/N500016

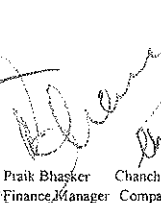

Armit Peswani
Partner
Membership Number: 501213


Place: Gurugram
Date: 29/09/2017

For and on behalf of the Board of Directors


Vinod Singh Pant
Managing Director


Vasileios Stergiou
Director


Praik Bhagker
Finance Manager


Chanchal Garg
Company Secretary

Place: Gurugram
Date: 29/09/2017

Place: Athens Place: Gurugram Place: Gurugram

1. Background of the company

Frigoglass India Private Limited (“the Company”) is engaged in manufacturing and trading of Visicoolers and caters to both Indian and International market. It also provides services relating to marketing, business development, product development and product services to group Companies under service agreements.

2. Summary of significant accounting policies

2.1 Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the company’s operating cycle and other criteria set out in the schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Tangible assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any,. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met.

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realizable value and are shown separately in the financial statements under the head ‘Other current assets’. Any write-down in this regard is recognized immediately in the Statement of Profit and Loss.



An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives by management which are in line with the lives prescribed under schedule II to the Companies Act, 2013. The Company has used the following useful lives:

| Asset | Useful Life (in years) |
|---|------------------------|
| Factory Building | 30 |
| Other Building | 60 |
| Computers- Servers and Networks | 6 |
| Computers- Desktop, Laptop and end user devices | 3 |
| Furniture and fittings | 10 |
| Office Equipment | 5 |
| Plant & machinery (Refer note 1 below) | 15 |

Note 1 - The useful lives of assets mentioned above are based on their single shift working. If an asset is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall increase by 100% for that period. The calculations of the extra depreciation for double shift and triple shift working is made separately in proportion in which the number of days for which the concern worked double shift or triple shift, as the case may be, bears to the normal number of working days during the year.

In view of management, the residual value of all above assets is insignificant and hence not considered for the purpose of charging depreciation.

2.4 Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible Assets are amortised on a straight line basis over their estimated useful lives.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The estimated useful lives of intangible assets are as follow:

| Asset | Useful Life (Years) |
|-------------------|---------------------|
| Computer Software | 4 |



2.5 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.6 Impairment of Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.7 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

2.8 Foreign currency translation

Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



Subsequent recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

Exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

2.9 Revenue Recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyers as per the terms of the contract, which coincides with the delivery of goods and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Sale of Services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and recognised net of service tax.

2.10 Other Income

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Income from duty drawback and premium of sale of import licences is recognised on an accrual basis.

2.11 Employee Benefits

Provident Fund and Employees' State Insurance ('ESI'): Contribution towards provident fund and ESI is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The Company's contributions to the schemes are recognized in the Statement of Profit and Loss in the year in which they arise.

Gratuity: The Company provides for gratuity, a defined benefits plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the period in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits.



The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2.12 Current and deferred tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with Indian Income Tax Act, 1961.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognized as an 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.

2.13 Provisions and contingent liabilities

Provisions: Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value. Provision for onerous contract is recognized where cost of meeting the obligation under contract exceed the economic benefit expected to be received under the contract.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present



obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.14 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

2.15 Segment reporting

i. Primary segment: Business segment

The Company's operates in only one segment i.e. manufacture and sale of Visicoolers and provide related services. Hence, that is the only business segment

ii. Secondary segment: Geographical segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- a. Sales within India include sales to customers located within India
- b. Sales outside India include sales to customers located outside India

2.16 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



3 SHARE CAPITAL

| | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
|---|----------------------------------|----------------------------------|
| Authorized | | |
| 82,000,000 (March 31, 2016: 82,000,000) equity shares of Rs.10 each | 820,000,000 | 820,000,000 |
| Issued | | |
| 81,755,726 (March 31, 2016: 81,755,726) equity shares of Rs.10 each | 817,557,260 | 817,557,260 |
| Subscribed and Paid Up | | |
| 81,755,726 (March 31, 2016: 81,755,726) equity shares of Rs.10 each | 817,557,260 | 817,557,260 |
| | <u>817,557,260</u> | <u>817,557,260</u> |

a) Reconciliation of number of shares

| | As at March 31, 2017 | | As at March 31, 2016 | |
|---|-------------------------|--------------------|-------------------------|--------------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Balance as at the beginning of the year | 81,755,726 | 817,557,260 | 81,755,726 | 817,557,260 |
| Add: Issued during the year | - | - | - | - |
| Balance as at the end of the year | <u>81,755,726</u> | <u>817,557,260</u> | <u>81,755,726</u> | <u>817,557,260</u> |

b) Terms, Rights, preferences and restrictions attached to each class of shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors if any, is subject to approval of shareholders at the Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

c) Shares held by the Holding/ their Subsidiaries

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| Equity shares: | | |
| <u>Frigoinvest Holdings B.V., Netherlands Holding Company</u> | | |
| 1) 81,755,716 equity shares (March 31, 2016: 81,755,716 of Rs. 10 each fully paid up | 817,557,160 | 817,557,160 |
| <u>Frigorex Cyprus Limited, Greece, fellow subsidiary company</u> | | |
| 2) 10 shares (March 31, 2016: 10 shares) of Rs. 10 each fully paid up | 100 | 100 |
| | <u>817,557,260</u> | <u>817,557,260</u> |

d) Details of shares held by shareholders holding more than 5% shares of the aggregate shares in the Company

| | As at March 31, 2017 | | As at March 31, 2016 | |
|---|-------------------------|-----------|-------------------------|-----------|
| | Number of Shares | % holding | Number of Shares | % holding |
| Frigoinvest Holdings B.V., Netherlands, Holding Company | 817,557,160 | 99.99 | 817,557,160 | 99.99 |

4 RESERVES AND SURPLUS

| | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
|---|----------------------------------|----------------------------------|
| Surplus in the Statement of Profit and Loss | | |
| Balance as at the beginning of the year | 74,758,042 | 116,513,137 |
| Add Profit/(loss) for the year | (142,271,013) | (41,755,095) |
| (Loss) as at the end of the year | (67,512,971) | 74,758,042 |
| Less Appropriations : | | |
| Net surplus/(deficit) in the statement of profit and loss | <u>(67,512,971)</u> | <u>74,758,042</u> |



| 5 Deferred Tax Liability (Net) | As at | As at |
|---|-------------------------|-------------------------|
| | March 31, 2017 (Rs.) | March 31, 2016 (Rs.) |
| Deferred tax liability: | | |
| Depreciation | 86,319,148 | 90,119,327 |
| Gross deferred tax liability | 86,319,148 | 90,119,327 |
| Deferred tax asset: | | |
| Provision for doubtful debts and advances | 1,372,835 | 1,318,342 |
| Provision for warranties | 13,247,090 | 8,641,415 |
| Provision for royalty cess | 19,718 | 215,638 |
| Provision for litigations | 8,612,062 | 9,645,510 |
| Other timing differences | 15,244,891 | 13,727,625 |
| Gross deferred tax assets | 38,496,597 | 33,548,530 |
| Net deferred tax liability | 47,822,552 | 56,570,797 |

| 6 PROVISIONS | Long - Term | | Short - Term | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
| Provision for employee benefits | | | | |
| Provision for gratuity (refer note 26) | 25,807,227 | 18,478,832 | 440,844 | 379,953 |
| Provision for compensated absences | 14,157,202 | 9,979,548 | 885,448 | 2,666,999 |
| | 39,964,429 | 28,458,380 | 1,326,292 | 3,046,952 |
| Other provisions | | | | |
| Provision for sales tax disputes | - | - | 27,870,752 | 27,870,752 |
| Provision for warranty | - | - | 42,870,841 | 24,969,414 |
| | - | - | 70,741,593 | 52,840,166 |
| | 39,964,429 | 28,458,380 | 72,067,885 | 55,887,118 |

Disclosure of Provisions as per the requirements of Accounting Standard 29:

a. Nature of Provisions

Provision for sales tax

Provision made in respect of an ongoing litigation relating to sales tax exemption availed by the Company in earlier years

Provision for Warranty

A provision is recognized based on management's estimate for expected warranty claims on products sold. It is expected that most of this cost will be incurred over the warranty period as per warranty terms. Assumption used to calculate the provision for warranties were based on current year sales level and the expected failure in respect of defectives

b. Movement in Provisions

| Particulars | Sales Tax | | Warranty | |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Balance as at the beginning of the year | 27,870,752 | 27,870,752 | 24,969,414 | 23,195,721 |
| Add: Provision created during the year | - | - | 54,068,437 | 46,090,957 |
| Less: Utilization during the year | - | - | 36,167,010 | 44,317,264 |
| Balance as at the end of the year | 27,870,752 | 27,870,752 | 42,870,841 | 24,969,414 |

7 SHORT TERM BORROWINGS

Unsecured loan:

From banks

Working capital loans

The working capital loan is repayable on demand and carries interest @ 11.10% to 11.25% p a

| As at | As at |
|-------------------------|-------------------------|
| March 31, 2017 (Rs.) | March 31, 2016 (Rs.) |
| 228,776,545 | 179,867,445 |
| 228,776,545 | 179,867,445 |

8 TRADE PAYABLES

Acceptances

Total outstanding dues of creditors other than micro enterprises and small enterprises (excluding acceptances)*

Total outstanding dues of micro enterprises and small enterprises

| As at | As at |
|-------------------------|-------------------------|
| March 31, 2017 (Rs.) | March 31, 2016 (Rs.) |
| 17,968,653 | 1,377,987 |
| 1,001,165,706 | 838,159,292 |
| 1,019,134,359 | 839,537,279 |
| 24,150,179 | 24,618,863 |
| 24,150,179 | 24,618,863 |
| 1,043,284,538 | 1,703,693,421 |

* Includes amount payable to related parties Rs. 406,682,526 (March 31, 2016: Rs. 319,982,051) (Refer note 31)

9 OTHER CURRENT LIABILITIES

Interest accrued but not due on loans

Advance from customers

Retention money from contractors

Liabilities against capital expenditure

Excise duty payable

Sales tax payable

TDS payable

Other statutory dues payable

Other

| As at | As at |
|-------------------------|-------------------------|
| March 31, 2017 (Rs.) | March 31, 2016 (Rs.) |
| 45,755 | 47,524 |
| 36,624,586 | 7,461,676 |
| 32,500 | 32,500 |
| 19,304,229 | 19,251,546 |
| 25,990,402 | 28,919,068 |
| 35,746,394 | 10,871,798 |
| 5,812,806 | 4,464,573 |
| 1,913,984 | 2,275,196 |
| 57,362 | 1,156,476 |
| 126,042,915 | 74,457,307 |





Frigoglass India Private Limited
Notes to financial statements for the year ended March 31, 2017

Note 10: TANGIBLE ASSETS

For the year ended March 31, 2017:-

| | Gross Block | | Depreciation | | Net Block | | | | |
|----------------------|---------------|-------------|---------------------|----------------|---------------|--------------|---------------------|----------------|----------------|
| | April 1, 2016 | Addition | Disposal/Adjustment | March 31, 2017 | April 1, 2016 | For the Year | Disposal/Adjustment | March 31, 2017 | March 31, 2017 |
| Own Assets:- | | | | | | | | | |
| Land | 156,755,185 | - | - | 156,755,185 | - | - | - | - | 156,755,185 |
| Building | 30,016,013 | 50,400,516 | - | 351,416,529 | 51,507,841 | 10,756,678 | - | 62,264,520 | 289,152,009 |
| Plant & Machinery | 646,606,235 | 105,151,326 | - | 751,757,560 | 326,653,300 | 44,622,964 | - | 371,276,264 | 380,481,296 |
| Furniture & Fixtures | 19,525,727 | 588,158 | - | 20,113,885 | 13,886,499 | 1,452,662 | - | 15,339,160 | 4,774,726 |
| Computers | 44,922,543 | 4,000,038 | - | 48,922,583 | 32,623,303 | 6,623,272 | - | 39,246,375 | 9,676,007 |
| Total | 1,168,825,702 | 160,140,039 | - | 1,328,965,741 | 424,670,942 | 63,455,576 | - | 488,126,519 | 840,839,222 |

For the year ended March 31, 2016:-

| | Gross Block | | Depreciation | | Net Block | | | | |
|----------------------|---------------|-------------|---------------------|----------------|---------------|--------------|---------------------|----------------|----------------|
| | April 1, 2015 | Addition | Disposal/Adjustment | March 31, 2016 | April 1, 2015 | For the Year | Disposal/Adjustment | March 31, 2016 | March 31, 2016 |
| Own Assets:- | | | | | | | | | |
| Land | 156,755,185 | - | - | 156,755,185 | - | - | - | - | 156,755,185 |
| Building | 167,173,033 | 133,842,980 | - | 301,016,013 | 46,220,324 | 5,287,517 | - | 51,507,841 | 249,508,171 |
| Plant & Machinery | 557,479,779 | 89,126,455 | - | 646,606,235 | 283,347,160 | 43,306,140 | - | 326,653,300 | 319,952,934 |
| Furniture & Fixtures | 19,299,760 | 225,967 | - | 19,525,727 | 12,279,243 | 1,607,255 | - | 13,886,499 | 5,639,229 |
| Computers | 38,400,979 | 6,521,565 | - | 44,922,543 | 26,655,725 | 5,967,578 | - | 32,623,303 | 12,299,241 |
| Total | 939,108,738 | 229,716,967 | - | 1,168,825,703 | 368,502,454 | 56,168,491 | - | 424,670,942 | 744,154,760 |

Note 11: INTANGIBLE ASSETS

For the year ended March 31, 2017:-

| | Gross Block | | Depreciation | | Net Block | | | | |
|--------------------|---------------|----------|---------------------|----------------|---------------|--------------|---------------------|----------------|----------------|
| | April 1, 2016 | Addition | Disposal/Adjustment | March 31, 2017 | April 1, 2016 | For the Year | Disposal/Adjustment | March 31, 2017 | March 31, 2017 |
| Own Assets:- | | | | | | | | | |
| Computers Software | 27,790,152 | - | - | 27,790,152 | 23,300,653 | 2,373,766 | - | 25,674,418 | 2,115,734 |
| Total | 27,790,152 | - | - | 27,790,152 | 23,300,653 | 2,373,766 | - | 25,674,418 | 2,115,734 |

For the year ended March 31, 2016:-

| | Gross Block | | Depreciation | | Net Block | | | | |
|--------------------|---------------|-----------|---------------------|----------------|---------------|--------------|---------------------|----------------|----------------|
| | April 1, 2015 | Addition | Disposal/Adjustment | March 31, 2016 | April 1, 2015 | For the Year | Disposal/Adjustment | March 31, 2016 | March 31, 2016 |
| Own Assets:- | | | | | | | | | |
| Computers Software | 25,638,292 | 2,151,860 | - | 27,790,152 | 21,452,981 | 1,847,671 | - | 23,300,653 | 4,489,500 |
| Total | 25,638,292 | 2,151,860 | - | 27,790,152 | 21,452,981 | 1,847,671 | - | 23,300,653 | 4,489,500 |

Note: The remaining amortised period of software as at March 31, 2017 is 2-3 years

| 12 LONG TERM LOANS AND ADVANCES (Unsecured considered good except to the extent stated) | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
|--|----------------------------------|----------------------------------|
| Capital advances | 5,869,836 | 7,310,999 |
| Deposits-others [includes Rs. 34,514,294 (March 31, 2016 Rs. 34,514,294) against deposit for VAT {refer note 19(i)}] | 38,040,840 | 38,040,840 |
| | <u>43,910,676</u> | <u>45,351,839</u> |
| 13 OTHER NON-CURRENT ASSETS | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
| Margin money deposits * | - | 681,902 |
| | <u>-</u> | <u>681,902</u> |
| 14 INVENTORIES | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
| Raw materials and components (refer note 23) (includes in transit Rs. 3,834,420 (March 31, 2016 Rs. 8,044,021)) | 161,157,722 | 181,658,306 |
| Work-in-progress (refer note 25) | 12,204,962 | 21,375,057 |
| Finished goods (refer note 25) (includes in transit Rs. Nil (March 31, 2016: Rs. 35,128,691)) | 192,359,889 | 219,250,004 |
| Traded goods (refer note 25) (includes in transit Rs. Nil (March 31, 2016: Rs. 453,960)) | 14,813,345 | 22,200,141 |
| | <u>380,535,918</u> | <u>444,483,507</u> |
| Details of raw material inventory | | |
| Compressors | 19,425,149 | 24,620,802 |
| Steel | 39,890,060 | 37,767,729 |
| Others | 101,842,513 | 119,269,775 |
| | <u>161,157,722</u> | <u>181,658,307</u> |
| 15 TRADE RECEIVABLES (Unsecured, considered good unless otherwise stated) | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| Considered good | 217,018,276 | 338,944,408 |
| Considered doubtful | 836,406 | 854,006 |
| | <u>217,854,682</u> | <u>339,798,414</u> |
| Less: Provision for doubtful receivables | 836,406 | 854,006 |
| | <u>217,018,276</u> | <u>338,944,408</u> |
| Others | | |
| Considered good | 509,099,174 | 263,315,634 |
| | <u>726,117,451</u> | <u>602,260,042</u> |

* Includes amount receivable from related parties Rs. 234,521,826 (March 31, 2016 Rs. 323,088,113) (Refer note 31)



Frigoglass India Private Limited

Notes to the financial statements

(All amounts in Rupees unless otherwise stated)

| 16 CASH AND BANK BALANCES | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
|--|----------------------------------|----------------------------------|
| Cash and Cash equivalents | | |
| Bank balances | | |
| In current accounts | 68,343,676 | 55,011,727 |
| Cash on hand | 10,633 | 42,696 |
| Demand deposits (less than 3 months maturity) | 1,183,155 | 4,982,278 |
| | <u>69,537,464</u> | <u>60,036,701</u> |
| Other bank balances | | |
| Margin money* | 1,736,379 | 2,220,986 |
| | <u>1,736,379</u> | <u>2,220,986</u> |
| | <u>71,273,843</u> | <u>62,257,687</u> |
| * Margin money deposits are under lien with banks against guarantees/ issued or have been pledged with customers and tax authorities for security against the ongoing assessments. | | |
| 17 SHORT TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise stated) | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
| Advances to suppliers and others | 17,151,245 | 20,447,803 |
| Other advances | 59,766,974 | 31,220,684 |
| Advance Tax | 7,511,382 | 6,279,882 |
| Amounts paid under protest to authorities | 22,365,305 | 22,157,955 |
| Balance with statutory/government authorities: | | |
| - Excise duty | 30,109,113 | 61,646,651 |
| - Service tax | 79,231,301 | 61,229,412 |
| | <u>216,135,320</u> | <u>202,982,386</u> |
| Less: Provision for doubtful advances | 4,442,832 | 2,955,351 |
| | <u>211,692,488</u> | <u>200,027,035</u> |
| Prepaid expenses | 7,822,659 | 4,572,664 |
| | <u>219,515,147</u> | <u>204,599,699</u> |
| 18 OTHER CURRENT ASSETS (Unsecured considered good unless otherwise stated) | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
| Unbilled revenue | 17,313,722 | 14,075,683 |
| Export benefits receivable | 6,232,183 | 8,603,191 |
| Interest accrued on fixed deposits | 149,238 | 389,858 |
| | <u>23,695,143</u> | <u>23,068,732</u> |



19. Contingent liabilities:

Guarantees: (Amount in Rs.)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|-------------------------------|-------------------------|-------------------------|
| Guarantees Issued by the Bank | 750,000 | 41,970,223 |
| Total | 750,000 | 41,970,223 |

Other Contingent Liabilities: (Amount in Rs.)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|--|--------------------------|--------------------------|
| Demand for Sales Tax / Value Added Tax (net of VAT recoverable on purchases). | 77,783,592 | 77,783,592 |
| Demand for Excise Duty | 3,712,701 | - |
| Demand from Income Tax authorities disputed by the Company for -Assessment Year 2006-07 -Assessment Year 2008-09 | 12,255,377 47,608,592 | 12,255,377 47,608,592 |
| Total | 137,647,561 | 137,647,561 |

The Company has disputed the above demands at various forums. Based on internal and external counsel view, the management is of the opinion that more likely than not the above demands/cases will be decided in favour of the Company, hence no provision is made in the books and the amounts are disclosed as contingent liability.

The details of demands/cases as at March 31, 2017, are as below:

(i) Sales Tax / Value Added Tax

The company commenced its commercial production on January 25, 2000. Its application for availing the exemption/ benefits under Rule 28B i.e. 100% tax exemption under the Haryana General Sales Tax Act, 1973 was rejected by the concerned authority on September 21, 2000. Further, its application for exemption/ benefits under Rule 28C i.e. exemption on slab basis was accepted by the concerned authority w.e.f. September 21, 2000 being the date of issuance of entitlement certificate. The company had filed an application for issuance of entitlement certificate from the date of commercial production i.e. January 25, 2000 instead of September 21, 2000, which is still pending with the concerned authorities.

In July 2001, the Company received notice from Deputy Excise & Taxation Commissioner (DETC) for deposit of tax without considering any exemption under Rule 28B and 28C. The Company had filed a writ petition before Honorable High Court of Punjab & Haryana on August 25, 2001 for stay of recovery proceeding for sales tax demanded and rejection of Company's application for issue of entitlement certificate and also grant sales tax exemption under Rule 28C of the erstwhile rules.

Post enactment of Haryana Value Added Tax Act, 2003, which is applicable w.e.f. April 1, 2003, the exemptions/ benefits under Rule 28C are covered under Rule 69(1) whereby an option is given for deferment of VAT or payment of VAT due on slab basis as defined in Rule 28C. The Company opted for payment of VAT due on slab basis under the new Act. However, the DETC was of the view that the Company is not eligible to avail the exemptions/ benefits as provided under the erstwhile Act and Rules made therein and therefore the company does not fall under the ambit of Rule 69(1) of Haryana Value Added Tax Act 2003 and issued a notice demanding tax on sales made from April 1, 2003 onwards.

The Company filed an application against recovery of VAT by the authorities in the Honorable High Court on October 1, 2003. The Honorable High Court vide its order dated December 16, 2003 granted the stay till the



Company's case of exemption under Rule 28C is decided and instructed the Haryana Sales Tax Department to accept deposit of 50% of VAT collected by the Company.

Further on March 26, 2009, ex-parte assessment for year 1999-2000 to 2002-2003 was done by Excise & taxation officer (ETO) and an additional demand of Rs.59,280,818 was raised without giving effect of VAT on purchases and exemption under Rule 28C. The company filed an appeal before Joint Excise & Taxation commissioner (Appeal) on July 23, 2009 requesting to quash the above order since the matter is pending in the Honorable High Court. Entire demand amount of Rs. 59,280,818 has already been deposited by the Company, out of which Rs. 34,514,294 has been classified under head "Loans and Advances" and balance Rs. 24,766,524 has been paid by reversal of VAT input credit.

The company had also recognised VAT subsidy income on slab basis amounting to Rs. 46,373,526 from April 2003 to June 2008. No VAT subsidy has been recognized after June 2008. Against the said VAT, a provision of Rs.27,870,752 has been made in the books.

Net exposure on the Company as on March 31, 2017 is Rs.77,783,592 (Previous Year Rs. 77,783,592)

The High Court had passed an interim order dated May 10, 2011 holding that the Company is eligible to claim benefit under the rules (i.e. 28B or 28C) and directed the High Level Screening Committee (HLSC) to pass an appropriate order as per the law. Currently, the matter is pending for hearing with HLSC.

Excise duty

An audit was conducted by the authorities on the company for the period 2008-2013. Pursuant to the audit, Show Cause Notice(SCN) dated February 27, 2014 was issued and an amount of Rs 7,999,537 was disallowed with regard to credit pertaining to trading activities. SCN alleged to have contravened Rule 6(3) of Cenvat Credit Rules, 2004, since the company has been using input services both for dutiable manufactured goods as also for traded goods without maintaining separate records. In addition, interest and penalty was also levied on the company. Pursuant to issue of SCN, the company immediately reversed cenvat credit of an amount of Rs 4,286,836 pertaining to trading activities for the period April 1, 2011 to March 31, 2013. Additionally, interest amount of Rs 883,456 along with penalty of Rs 597,151 was also deposited by the company. Company filed a reply in regard to such show cause notice on 02 August 2014 to Commissioner of Central Excise stating that the extended period of limitation cannot be invoked by the authority. Currently, the matter is pending with the Tribunal.

(ii) Income Tax

Assessment Year 2006-07

The assessing officer raised a demand of Rs. 12,255,377 on account of transfer pricing adjustments. Company filed an appeal before the Dispute Resolution Panel (DRP). DRP upheld the additions made by the assessing office vide its order dated June 22, 2010. The Company further filed an appeal before the Income Tax Appellate Tribunal (ITAT) challenging the order of the assessing officer. ITAT vide order dated October 28, 2011 had demanded back the matter to DRP with instruction of fresh assessment. DRP subsequently passed a revised order on March 19, 2013 reconfirming the additions. The matter is currently pending before the ITAT.

Assessment Year 2008-09

The assessing officer raised a demand of Rs.47,608,592 on account of transfer pricing adjustments. Company filed an appeal before the Dispute Resolution Panel (DRP). DRP upheld the additions made by the assessing office vide its order dated September 21, 2013. The Company further filed an appeal before the Income Tax Appellate Tribunal (ITAT) challenging the order of the assessing officer. ITAT in its order dated April 11, 2014 has deleted the transfer pricing adjustments and directed the assessing office to verify the revised computation for corporate tax grounds.

20. Estimated amount of contracts remaining to be executed on capital account (net of advances) as at March 31, 2017 Rs 11,969.432 (March 31, 2016 Rs.9,553,833).



| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|---|---|---|
| 21 REVENUE FROM OPERATIONS | | |
| Sale of products | | |
| Finished goods | 1,666,139,039 | 1,658,896,039 |
| Traded goods | 156,054,156 | 186,144,258 |
| Sale of services | | |
| Service income from related parties (refer note 31) | 123,143,741 | 128,613,622 |
| Income from installation services | - | 11,495 |
| Income from post warranty services | 59,040,545 | 55,983,462 |
| Other operating revenue | | |
| Scrap sales | 6,036,595 | 12,235,598 |
| Export incentives | 1,898,929 | 9,259,978 |
| Revenue from operations (gross) | 2,012,313,005 | 2,051,144,452 |
| Less: Excise duty* | 201,725,807 | 124,430,996 |
| Revenue from operations (net) | 1,810,587,198 | 1,926,713,456 |
| | | |
| Details of finished goods sold | | |
| Visicoolers | 1,666,139,039 | 1,658,896,039 |
| | | |
| Details of traded goods sold | | |
| Visicoolers | 8,792,100 | 21,929,553 |
| Stabilizer | 16,371,002 | 19,877,709 |
| Spares & accessories | 130,891,054 | 144,336,996 |
| | 156,054,156 | 186,144,258 |

* Excise duty on sales amounting to Rs. 201,725,807 (March 31, 2016: Rs. 124,430,996) has been reduced from sales in profit and loss and excise duty on increase/decrease in stock amounting to Rs.2,928,665 (March 31, 2016: Rs. 12,991,786) has been considered as expense in note 29 of the financial statements.

| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|-----------------------------------|---|---|
| 22 OTHER INCOME | | |
| Interest income on fixed deposits | 247,129 | 2,895,495 |
| Miscellaneous income | 875,386 | 828,040 |
| Exchange differences (net) | 5,157,181 | - |
| | 6,279,696 | 3,723,535 |



| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|---|---|---|
| 23 Cost of materials consumed | | |
| Inventory at the beginning of the year | 181,658,306 | 196,696,844 |
| Add: Purchases | 1,044,684,801 | 1,186,169,031 |
| Less: Inventory at the end of the year | 161,157,722 | 181,658,306 |
| Cost of raw materials and components consumed | 1,065,185,385 | 1,201,207,569 |
| Details of raw material and components consumed | | |
| Compressors | 137,223,701 | 162,378,523 |
| Steel | 175,056,573 | 181,441,130 |
| Others | 752,905,111 | 857,387,916 |
| | 1,065,185,385 | 1,201,207,569 |
| 24 Purchase of Stock in Trade | | |
| Visicoolers | 9,973,108 | 21,973,231 |
| Stablizers | 9,884,103 | 12,384,226 |
| Spares and accessories | 99,738,234 | 120,738,358 |
| | 119,595,445 | 155,095,816 |
| 25 Change in inventories of finished goods, work-in-progress and stock in trade -Visicoolers * | | |
| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
| Inventories at the beginning of the year | | |
| Finished goods | 219,250,004 | 118,278,767 |
| Work in progress | 21,375,057 | 10,499,572 |
| Traded goods | 22,200,141 | 18,223,955 |
| | 262,825,201 | 147,002,295 |
| Inventories at the end of the year | | |
| Finished goods | 192,359,889 | 219,250,004 |
| Work in progress | 12,204,962 | 21,375,057 |
| Traded goods | 14,813,345 | 22,200,141 |
| | 219,378,196 | 262,825,201 |
| | 43,447,005 | (115,822,907) |

*Excise Duty on increase/decrease in stock amounting to Rs.2,928,665 (March 31, 2016: Rs. 12,991,786) has been considered as expense in note 29 of the financial statements.



26. EMPLOYEE BENEFITS EXPENSES

(Amount in Rs.)

| Particulars | For the year ended | |
|--|--------------------|--------------------|
| | March 31, 2017 | March 31, 2016 |
| Salaries, wages and bonus | 205,197,445 | 217,686,196 |
| Contribution to provident and other fund | 11,155,813 | 11,044,786 |
| Gratuity expense | 87,26,015 | 4,547,097 |
| Staff welfare expenses | 13,212,168 | 16,509,735 |
| Total | 238,291,440 | 249,787,814 |

(a) Defined Contribution Plans

(Amount in Rs.)

| Amount recognized in the Statement of Profit & Loss | For the Year ended | |
|---|--------------------|----------------|
| | March 31, 2017 | March 31, 2016 |
| Provident fund | 10,138,131 | 9,462,991 |
| Employee state insurance | 1,004,340 | 1,470,035 |

(b) Defined Benefit Plan

Gratuity: The Company has an unfunded defined benefit gratuity plan. Every employee is entitled to a benefit equivalent to 15 days salary last drawn for the each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefit vests on the employee completing 5 years of continuous service. The Company makes provision of such gratuity asset/ liability in the books of accounts on the basis of year end actuarial valuation.

(i) Present Value of Defined Benefit Obligation

| Particulars | Gratuity | |
|--|-----------------------------------|-----------------------------------|
| | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
| Balance at beginning of the year | 1,88,58,785 | 15,693,849 |
| Interest cost | 14,97,388 | 1,216,273 |
| Past Service Cost | - | - |
| Current service cost | 35,00,383 | 2,921,851 |
| Benefits paid | (1,336,729) | (1,382,161) |
| Actuarial (gains) / losses on obligation | 37,28,244 | 408,973 |
| Balance at the end of the year | 2,62,48,071 | 18,858,785 |

(ii) Assets and Liabilities recognised in the Balance Sheet

| Particulars | Gratuity | |
|---|-----------------------------------|-----------------------------------|
| | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
| Present value of Defined benefit obligation | 2,62,48,071 | 18,858,785 |
| Less: Fair value of plan assets | - | - |
| Less: Un-recognized past service cost | - | - |
| Amounts recognized as liability | 2,62,48,071 | 18,858,785 |



Frigoglass India Private Limited
Notes to financial statement for the year ended March 31, 2017

| | | |
|-------------------------------------|--------------------|-------------------|
| Recognized under: | | |
| Long Term Provision (Refer Note 6) | 2,58,07,227 | 18,478,832 |
| Short Term Provision (Refer Note 6) | 4,40,844 | 379,953 |
| Total | 2,62,48,071 | 18,858,785 |

(iii) Expenses recognised in the Statement of Profit and Loss

| Particulars | Gratuity | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
| Current service cost | 35,00,383 | 2,921,851 |
| Past Service Cost | - | - |
| Interest Cost | 14,97,388 | 1,216,273 |
| Net actuarial (gain) / loss recognized in the year | 37,28,244 | 408,973 |
| Past service cost | - | - |
| Total Expense / (Income) | 87,26,015 | 4,547,097 |

(iv) Actuarial Assumptions

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|---------------------|--------------------------------------|--------------------------------------|
| Discount rate | 7.35% | 7.94% |
| Salary Growth Rate | 7.50% | 7.50% |
| Employee turnover | | |
| Age - Upto 30 years | 3.00% | 3.00% |
| Upto 44 years | 2.00% | 2.00% |
| Above 44 years | 1.00% | 1.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(v) Amounts recognised in current year and previous four years

| Particulars | Gratuity | | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
| Defined benefit obligation | 2,62,48,071 | 18,858,785 | 15,693,849 | 22,139,483 | 11,277,802 |
| Plan assets | | | | | |
| Surplus/(deficit) | (2,62,48,071) | (18,858,785) | (15,693,849) | (22,139,483) | (11,277,802) |
| Experience adjustments on plan liabilities | (14,99,383) | (9,83,318) | 1,174,033 | 1,995,089 | (635,988) |
| Experience adjustments on plan assets | - | - | - | - | - |
| Actuarial gain/(loss) due to change in assumption | - | - | - | - | - |



27 DEPRECIATION AND AMORTISATION EXPENSE

| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|-----------------------------------|---|---|
| Depreciation of tangible assets | 63,455,576 | 56,168,490 |
| Amortization of intangible assets | 2,373,766 | 1,847,671 |
| | <u>65,829,342</u> | <u>58,016,161</u> |

28 FINANCE COSTS

| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|------------------|---|---|
| Interest expense | 18,886,862 | 10,494,391 |
| Bank charges | 1,513,575 | 3,641,244 |
| | <u>20,400,438</u> | <u>14,135,635</u> |

29 OTHER EXPENSES

| | For the year ended March 31, 2017 (Rs.) | For the year ended March 31, 2016 (Rs.) |
|---|---|---|
| Consumption of stores and spares | 16,144,151 | 14,047,355 |
| Power and fuel | 20,809,371 | 20,729,758 |
| Increase / (decrease) in excise duty on inventory | 2,928,665 | 12,991,786 |
| Rent | 8,725,553 | 10,586,557 |
| Repairs and maintenance | | |
| -Plant and machinery | 5,634,277 | 9,520,425 |
| -Buildings | 1,019,208 | 1,985,699 |
| -Others | 40,416 | 774,393 |
| Exchange differences (net) | - | 7,497,403 |
| Rates and taxes | 106,788 | 10,620,848 |
| Insurance | 5,819,790 | 5,856,587 |
| Royalty fee | 47,864,762 | 41,053,844 |
| Travelling and conveyance | 19,617,689 | 22,862,929 |
| Legal and professional charges | 10,019,736 | 8,064,437 |
| Auditors' remuneration-Current Auditor | | |
| As auditor: | | |
| Statutory audit fee | 1,050,000 | 1,000,000 |
| Tax audit fee | 250,000 | 200,000 |
| In other capacity: | | |
| Other services | 2,217,000 | 1,875,000 |
| Reimbursement of expenses | 356,840 | 582,230 |
| Freight and forwarding expenses | 16,707,670 | 7,744,667 |
| Communication expenses | 2,600,306 | 3,328,888 |
| Service expenses | 49,899,262 | 48,169,358 |
| Management consultancy fees | 41,776,837 | 49,961,717 |
| Data processing expenses | 8,940,084 | 11,540,571 |
| Printing and stationery expenses | 1,272,793 | 1,211,122 |
| Sales promotion expenses | 4,115,509 | 2,619,229 |
| Nominal planning discount | 52,515,414 | 35,047,208 |
| Other discounts | 25,011,585 | 9,829,835 |
| Commission on sales | 1,912,601 | 7,664,898 |
| Product warranties and after sales services | 54,068,437 | 46,090,930 |
| Miscellaneous expenses | 13,712,353 | 15,272,647 |
| | <u>415,137,097</u> | <u>408,730,323</u> |



30. Segmental reporting

Primary segment: Business segment

The Company's operates in only one segment i.e. manufacture and sale of Visicoolers. Hence, that is the only business segment.

Secondary segment: Geographical segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- a. Sales within India include sales to customers located within India
- b. Sales outside India include sales to customers located outside India

Gross revenue (including excise duty) as per geographical locations is as follows

Sale of Products

(Amount in Rs.)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|---------------|--------------------------------------|--------------------------------------|
| Within India | 1,546,285,165 | 1,241,074,500 |
| Outside India | 275,908,030 | 603,965,797 |
| Total | 1,822,193,195 | 1,845,040,297 |

Sale of Services

(Amount in Rs.)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|---------------|--------------------------------------|--------------------------------------|
| Within India | 59,040,545 | 55,994,957 |
| Outside India | 123,143,741 | 128,613,622 |
| Total | 182,184,286 | 184,608,579 |

Receivables (Net of Provision) as per geographical locations:

(Amount in Rs.)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---------------|-------------------------|-------------------------|
| Within India | 464,476,252 | 225,070,864 |
| Outside India | 249,236,079 | 377,189,178 |
| Total | 726,117,451 | 602,260,042 |

Fixed assets as per geographical locations

The Company has common fixed assets for producing goods for domestic as well as overseas market. Hence, segment-wise information for fixed assets/ additions to fixed assets cannot be furnished.



31. Related party disclosure

| | |
|----------------------------------|--|
| Holding company | Frigoinvest Holdings B.V. Netherlands (Coolinvest Holdings Limited upto September 8, 2013) |
| Ultimate holding company | Frigoglass SAIC, Greece |
| Enterprises under common control | Frigoglass South Africa (Pty) Ltd, Frigoglass Indonesia PT, Frigoglass East Africa Ltd-Kenya, Frigoglass Romania S.R.L, 3P Frigoglass S.R.L Romania, Frigoglass West Africa Limited (Nigeria), Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd, Frigorex Cyprus Limited, Frigoglass Mena FZE, Frigoglass SAIC, Greece, Frigoglass Eurasia LLC Russia, Frigoglass Turkey Sogutma Sanayi ic ve Dis Ticaret A.S. Turkey, Frigoglass Industries Ltd (Nigeria), Frigoglass Nordic AS (Norway) |
| Key Management Personnel | Mr. Arvinder Singh Pental (Managing Director) |

(Amount in Rs.)

| Particulars | Holding/ Ultimate Holding Company | | Enterprises under common control | |
|---|-----------------------------------|--------------------|----------------------------------|--------------------|
| | For the year ended | For the year ended | For the year ended | For the year ended |
| | March 31 2017 | March 31 2016 | March 31 2017 | March 31 2016 |
| A) Transactions | | | | |
| Purchase of raw materials | | | | |
| Frigoglass Romania S.R.L. | - | - | 146,052 | 1,237,788 |
| Frigoglass SAIC Greece | 293,739 | 35,606 | - | - |
| Frigoglass Indonesia PT | - | - | 1,387,284 | 2,541,830 |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | 3,664,979 | 1,756,970 |
| 3P Frigoglass S.R.L Romania | - | - | 953,125 | 1,202,318 |
| Frigoglass South Africa Ltd | - | - | 251,786 | - |
| Purchase of trading goods | | | | |
| Frigoglass Indonesia PT | - | - | 10,319,086 | 21,555,644 |
| Frigoglass Romania S.R.L. | - | - | - | 261,793 |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | 121,493 | 237,971 |
| | | | | |
| Expenses paid | | | | |
| Frigoglass Romania S.R.L. | - | - | 24,1760 | 153,732 |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | - | 40,565 |
| Frigoglass West Africa Limited (Nigeria) | - | - | 122.093 | 466.8918 |



Frigoglass India Private Limited

Notes to financial statement for the year ended March 31, 2017

| | | | | |
|--|------------|------------|------------|------------|
| Frigoglass Eurasia LLC Russia | - | - | - | 44,970 |
| Frigoglass East Africa Ltd -Kenya | - | - | 384,406 | 1,953,201 |
| Frigoglass SAIC Greece | 88,716,904 | 8,982,736 | - | - |
| Frigoglass Indonesia PT | - | - | 1,781,793 | 4,130,566 |
| 3P Frigoglass S.R.L Romania | - | - | - | 644 |
| Frigoglass South Africa (Pty) Ltd | - | - | 853,204 | 159,333 |
| Frigoglass TurkeySogutma Sanayi ic ve Dis Ticaret A.S. Turkey | - | - | 347,026 | 1,059,105 |
| | | | | |
| Royalty Fees | | | | |
| Frigoglass SAIC Greece | 47,864,762 | 41,053,844 | - | - |
| | | | | |
| Management Consultancy Fees | | | | |
| Frigoglass SAIC Greece | 42,215,582 | 49,961,717 | - | - |
| | | | | |
| Sale of Finished Goods | | | | |
| Frigoglass Indonesia PT | - | - | 8,081,151 | 95,103,149 |
| Frigoglass SAIC Greece | 372,824 | 58,64,063 | - | - |
| Frigoglass South Africa (Pty) Ltd | - | - | 5,928,685 | 31,986,207 |
| Frigoglass East Africa Ltd -Kenya | - | - | 12,750,663 | 73,133,341 |
| Frigoglass Romania S.R.L | | | 212,984 | - |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | | | 1,185,960 | - |
| Frigoglass West Africa Limited (Nigeria) | - | - | 6,719,094 | 84,306,316 |
| Frigoglass Mena FZE | - | - | - | 68,116,983 |
| | | | | |
| Sale of Spares | | | | |
| Frigoglass SAIC Greece | 6,647 | | - | - |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | | - | - | 2,055,566 |
| Frigoglass Romania S.R.L | - | - | 123,526 | 22,520 |
| Frigoglass South Africa (Pty) Ltd | - | - | 2,754,899 | 1,217,329 |
| Frigoglass Indonesia PT | - | - | 3,332,925 | 7,423,885 |



Frigoglass India Private Limited

Notes to financial statement for the year ended March 31, 2017

| | | | | |
|---|-------------|-------------|-------------|-------------|
| Frigoglass East Africa Ltd -Kenya | - | - | 55,355 | 77,333 |
| Frigoglass Eurasia LLC Russia | - | - | - | 1,199,202 |
| Frigoglass Mena FZE | - | - | - | 115,690 |
| Frigoglass Industries Ltd (Nigeria) | - | - | 502,097 | 3,618,476 |
| | | | | |
| Expenses Recovered | | | | |
| Frigoglass Romania S.R.L | - | - | - | 17,353 |
| Frigoglass South Africa (Pty) Ltd | - | - | - | 813,792 |
| Frigoglass SAIC Greece | 103,251,958 | 115,026 | - | - |
| Frigoglass Indonesia PT | - | - | 317,634 | 7,611,648 |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | 1,124,794 | 25,614 |
| Frigoglass Mena FZE | - | - | - | 6,467,547 |
| Frigoglass West Africa Limited (Nigeria) | - | - | 2,500,749 | 11,530,872 |
| | | | | |
| Service Income | | | | |
| Frigoglass West Africa Limited (Nigeria) | - | - | 375,113 | 3,124,601 |
| Frigoglass Indonesia PT | - | - | 47,645 | 3,943,521 |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | 151,676 | 358,744 |
| Frigoglass SAIC Greece | 15,487,794 | 121,186,756 | - | - |
| | | | | |
| Fixed asset purchased | | | | |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | 59,747,760 | 248,918 |
| Frigoglass Romania S.R.L. | - | - | 436,020 | - |
| B) Balance outstanding at the year-end: | | | | |
| Account receivables | | | | |
| Frigoglass SAIC Greece | 69,421,490 | 17,438,495 | - | - |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | - | 8,990,516 |
| Frigoglass Romania S.R.L. | - | - | 601,214 | 305,096 |
| Frigoglass West Africa Limited | - | - | 107,070,677 | 183,920,322 |
| Frigoglass Indonesia PT | - | - | 1,862,345 | 57,049,830 |



Frigoglass India Private Limited

Notes to financial statement for the year ended March 31, 2017

| | | | | |
|---|-------------|-------------|------------|------------|
| Frigoglass East Africa Ltd –Kenya | - | - | 51,251 | 276,145 |
| Frigoglass Mena FZE | - | - | - | 6,732,898 |
| Frigoglass South Africa (Pty) Ltd | - | - | 55,514,849 | 48,374,811 |
| | | | | |
| Accounts payables | | | | |
| 3P Frigoglass S.R.L Romania | - | - | 800,234 | 492,986 |
| Frigoglass SAIC Greece | 303,458,144 | 251,051,462 | - | - |
| Frigoglass (Guangzhou) Ice Cold Equipment Co. Ltd | - | - | 62,519,835 | 6,848,464 |
| Frigoglass Nordic AS (Norway) | - | - | 673,262 | 728,122 |
| Frigoglass Eurasia LLC Eurasia | - | - | 30,208 | 32,669 |
| Frigoglass South Africa (Pty) Ltd | - | - | 245,208 | 229,790 |
| Frigoglass Romania S.R.L. | - | - | 8,833,769 | 8,719,089 |
| Frigoglass Indonesia PT | - | - | 2,468,7640 | 25,397,631 |
| Frigoglass TurkeySogutma Sanayi ic ve Dis Ticaret A.S. Turkey | - | - | 190,065 | 19,401,201 |
| Frigoglass East Africa Ltd –Kenya | - | - | 373,567 | 1,927,474 |
| Frigoglass West Africa Limited | - | - | 4,870,594 | 5,153,162 |

Remuneration to Key Managerial Personnel

(Amount in Rs.)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
|---|--------------------------------------|--------------------------------------|
| Mr. Arvinder Singh Pental | | |
| Salary, bonus and allowances* | 11,372,485 | 16,709,562 |
| Contribution to provident and other funds | 864,000 | 864,000 |
| Total | 12,236,485 | 17,573,562 |

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore not included above.

32. The company has taken various vehicles under operating lease agreements. The lease arrangements for vehicles extend for a maximum period of 4 years from their respective date of inception. The lease rentals recognised in the statement of profit and loss for the year in respect of non-cancellable leases are Rs. 8,725,473 (March 31, 2016 Rs. 10,586,557). There are no subleases. The lease deed does not contain escalation clause.

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



Frigoglass India Private Limited
Notes to financial statement for the year ended March 31, 2017

(Amount in Rs.)

| Period | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| Payable within one year | 2,494,043 | 2,331,491 |
| Payable after one year but within five years | 2,209,079 | 3,725,727 |
| Payable after five year | - | - |

33. Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at the balance sheet date

(Amount in Rs.)

| Particulars | Currency | As at March 31, 2017 | | | As at March 31, 2016 | | |
|-----------------------|----------|-------------------------------|------------------|---------------------|-------------------------------|------------------|---------------------|
| | | Foreign Currency amount | Exchange Rate | Amount in Rupees | Foreign Currency Amount | Exchange Rate | Amount in Rupees |
| Account Receivable | USD | 1,513,917 | 63.65 | 96,360,832 | 3,025,324 | 65.13 | 197,039,382 |
| | GBP | - | - | - | 3,125 | 93.20 | 291,280 |
| | EURO | 2,390,239 | 67.81 | 162,082,129 | 2,320,871 | 73.33 | 170,189,451 |
| Account Payable | USD | 1,701,169 | 65.98 | 112,243,144 | 965,454 | 67.07 | 62,880,017 |
| | EURO | 4,699,340 | 70.58 | 331,679,385 | 3,982,263 | 76.33 | 292,019,357 |
| | RMB | - | - | - | 156,370 | 10.26 | 1,604,450 |
| | CNY | 138,485 | 9.60 | 1,339,057 | - | - | - |
| | CHF | 4,799 | 66.03 | 316,878 | - | - | - |
| | AUD | 223 | 50.53 | 11278 | - | - | - |

34. Imported and indigenous raw materials, components and spare parts consumed.

a) Raw Materials Consumed

(Amount in Rs.)

| Particulars | For the year ended March 31, 2017 | | For the year ended March 31, 2016 | |
|-------------|--------------------------------------|---------------|--------------------------------------|---------------|
| | % | Amount (Rs.) | % | Amount (Rs.) |
| Imported | 8.76 | 93,217,228 | 14.26 | 171,304,969 |
| Indigenous | 91.24 | 970,618,280 | 85.74 | 1,029,902,600 |
| Total | 100.00 | 1,063,835,508 | 100.00 | 1,201,207,569 |



b) Stores and Spares Consumed

| Particulars | (Amount in Rs.) | | | |
|--------------|--------------------------------------|-------------------|--------------------------------------|-------------------|
| | For the year ended March 31, 2017 | | For the year ended March 31, 2016 | |
| | % | Amount (Rs.) | % | Amount (Rs.) |
| Imported | 4.41 | 712,508 | 8.66 | 1,216,748 |
| Indigenous | 95.59 | 15,431,643 | 91.34 | 12,830,606 |
| Total | 100.00 | 16,144,151 | 100 | 14,047,354 |

35. Value of Imports calculated CIF basis

| Particulars | (Amount in Rs.) | |
|-----------------------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
| Capital goods | 68,593,167 | 26,561,099 |
| Raw material and components | 114,860,301 | 161,057,044 |
| Trading goods | 10,335,984 | 22,547,342 |
| Total | 193,789,451 | 210,165,484 |

36. Earnings in Foreign currency (on accrual basis)

| Particulars | (Amount in Rs.) | |
|------------------------------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
| FOB value of exports | | |
| - Finished foods | 212,992,090 | 582,695,498 |
| - Spares and components | 31,489,328 | 21,270,299 |
| -Service income from inter company | 123,143,741 | 128,613,622 |
| Total | 367,625,159 | 732,579,419 |

37. Expenditure in foreign currency (on accrual basis):

| Particulars | (Amount in Rs.) | |
|-----------------------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2017 | For the year ended March 31, 2016 |
| Royalty | 47,864,762 | 41,053,844 |
| Management consultancy fees | 417,76,837 | 49,961,717 |
| Data processing expenses | 12,018,161 | 11,745,379 |
| Others | 4,899,601 | 17,846,129 |
| Total | 106,559,361 | 120,607,069 |



38. Detail the micro, small and medium enterprises development (MSMED) Act, 2006:

(Amount in Rs.)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 24,150,179 | 24,618,863 |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 581,596 | 112,473 |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| Further interest remaining due and payable for earlier years | 291,125 | 944,272 |

39. Earnings per share (EPS):

(Amount in Rs.)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| A Net loss after tax attributable to equity shareholders (Rs.) | (142,271,013) | (41,755,094) |
| B Weighted average number of equity shares outstanding during the year for basic and diluted EPS | 81,755,726 | 81,755,726 |
| C Basic and diluted loss per share (Rs.) [A/B] | (1.74) | (0.51) |

40. The Company has appointed independent consultants for conducting transfer pricing study to determine whether the transactions with associated enterprises were undertaken at "arms-length basis". The management confirms that all international transactions with associated enterprises are undertaken at negotiated contracted prices on usual contractual terms and has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under the Income-tax Act, 1961. The management is confident that material adjustments will not be required in the financial statements on the completion of the study.



Frigoglass India Private Limited
Notes to financial statement for the year ended March 31, 2017

41. Disclosures relating to Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016 :

| Particulars | SBNs* | Other denomination notes | Total |
|---|----------|--------------------------|----------|
| Closing cash in hand as on 8 November 2016 | 17,000 | 735 | 17,735 |
| Add: Permitted receipts | - | 20,000 | 20,000 |
| Less: Permitted payments | - | - | - |
| Less: Amount deposited in Banks | (17,000) | - | (17,000) |
| Closing cash in hand as on 30 December 2016 | - | 20,735 | 20,735 |


*Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the November 8, 2016.

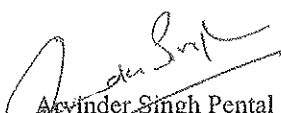
42. Previous Year Comparatives

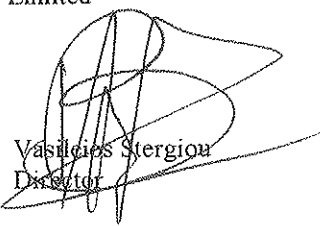
Previous year's figures have been reclassified / regrouped where necessary to conform to this year's classification.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration Number - FRN 012754N/N500016

For and on behalf of the Board of Directors
 Frigoglass India Private Limited


 Amit Peswani
 Partner
 Membership Number: 501213

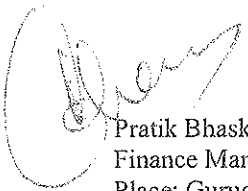

 Avinder Singh Pentel
 Managing Director



 Vasilios Stergiou
 Director

Place: Gurugram
 Date: 29/09/2017

Place: Gurugram
 Date: 29/09/2017

Place: Athens
 Date: 29/09/2017


 Pratik Bhasker
 Finance Manager
 Place: Gurugram
 Date: 29/09/2017


 Chanchal Garg
 Company Secretary
 Place: Gurugram
 Date: 29/09/2017